

**PUBLIC ROUNDTABLE ON
BILL 16-647, “TRIANGLE COMMUNITY GARDEN
EQUITABLE REAL PROPERTY TAX EXEMPTION AND
RELIEF ACT OF 2006”**

**Before the
Committee on Finance and Revenue
Council of the District of Columbia**

The Honorable Jack Evans, Chairman

**April 10, 2006, 11:15 a.m.
Room 120, John A. Wilson Building**



**Testimony of
Sherryl Hobbs Newman
Deputy Chief Financial Officer
Office of Tax and Revenue**

**Natwar M. Gandhi
Chief Financial Officer
Government of the District of Columbia**

Good morning, Chairman Evans and members of the Committee on Finance and Revenue. I am Sherryl Hobbs Newman, Deputy Chief Financial Officer for the Office of Tax and Revenue. I am pleased to present testimony today on Bill 16-647, the “Triangle Community Garden Equitable Real Property Tax Exemption and Relief Act of 2006.”

The bill establishes a new section 1074 to Title 47 of the D.C. Official Code (“Code”). New Code section 47-1074 would exempt from taxation real property located on Lot 58, Square 1966. Under Bill 16-647, new Code section 47-1074 forgives all unpaid real property taxes, interest, penalties, fees and other related charges against the subject property so long as it is used as a community garden. The bill also provides that any person who uses the subject property as a community garden has standing to redeem it under Code section 47-1361(a)(1). However, if the property is used for any other purpose than as a community garden, the sum of all unpaid real property tax and penalties, and accrued real property taxes, plus five percent interest, shall be paid to the District, and a lien will automatically be imposed against the subject property to secure the repayment of the amounts due.

Bill 16-647 would take effect once the Triangle Community Garden Land Trust pays all legal and administrative costs of the individual who purchased the subject property at the tax sale of the Office of Tax and Revenue last July. Finally, Bill 16-647 funds the fiscal effect of this proposal from the unallocated revenue in the February 2006 revised quarterly estimate of the OCFO.

The Office of Tax and Revenue has the following comments. We recommend that, like real property exemptions previously granted by the Council, the proposed exemption be conditioned on the taxpayer's compliance with the District's standard annual reporting requirement under Code section 47-1007 for exempt properties. We estimate OTR's operational costs to implement Bill 16-647 to be approximately \$25,000 for programming our computers so we can administer the exemption.

Fiscal Impact of Bill 16-647

The Office of the Chief Financial Officer estimates that the total fiscal impact of this bill is \$104,000 in FY 2006 and \$114,000 for FY 2006 through FY 2009.

Thank you, Chairman Evans, for the opportunity to comment on this bill. I would be happy to answer any questions you or other councilmembers might have at this time.