

**PUBLIC HEARING**  
**ON**  
**BILL 20-190 “DISABLED VETERANS HOMESTEAD**  
**EXEMPTION ACT OF 2013”**

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

**The Honorable Jack Evans, Chairman**

**January 13, 2014, 10:15 A.M.**  
**John A. Wilson Building, Room 500**



**Testimony of Robert McKeon**  
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**Jeff DeWitt**  
**Chief Financial Officer**  
**Government of the District of Columbia**

Mr. Chairman and members of the Committee, my name is Robert McKeon, Deputy Chief Counsel for the Office of Tax and Revenue (“OTR”). I am pleased to present testimony today on Bill 20-190, the “Disabled Veterans Homestead Exemption Act of 2013.”

Bill 20-190 would deduct \$500,000 from the assessed value of the homestead of a veteran. The veteran’s federal adjusted gross household income must be less than \$100,000. The veteran shall apply for the deduction with the D.C. Office of Veterans Affairs, and submit a statement that he or she has been classified as having a total and permanent disability or is paid by the U.S. Department of Veterans Affairs at the 100% disability rating level as a result of non-employability, and that the disability is the result of a service incurred or aggravated condition.

If it is the Council’s intent that one apply for the tax relief with the D.C. Office of Veterans Affairs and not with OTR, the bill should state that the D.C. Office of Veterans Affairs shall certify to OTR the eligible veterans in the form and in the manner as required by OTR. The Council should consider whether to specify the minimum amount of ownership in the homestead property that the veteran must have, such as at least 50% as is required for the senior and disabled tax relief program. The Council may wish to apply this benefit to housing cooperatives as well. Additionally, the Council may wish to amend the language

to provide that “up to \$500,000” shall be deducted and that additional limiting factors would require that the annual deduction amount be apportioned equally between first and second half installments, that for applications received during the second half of the tax year only one-half of the deduction shall be permitted for the tax year and such deduction shall be applicable to that second half tax year, that the deduction shall not be carried forward or carried back to other tax years, and that the foregoing is notwithstanding D.C. Official Code § 47-864(e), the 40% minimum taxable assessment threshold applicable to other properties. The bill should also state that the \$500,000 deduction is in lieu of any homestead deduction and tax cap credit under § 47-864. Finally, there should be an applicability date of October 1, 2014. OTR staff is ready and available to assist the Council.

Thank you, Chairman Evans, for the opportunity to comment on this Bill. I would be happy to answer any questions at this time.