Government of the District of Columbia
Office of the Chief Financial Officer
Office of Revenue Analysis

D.C. Tax Facts

2014

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MESSAGE FROM THE CFO

The District of Columbia is a single unit of government that provides many of the services typically provided by and shared between state and local levels of government in the fifty states. Typical local-level revenue sources used by the District include the real property tax, personal property tax, deed transfer and recordation taxes, traffic fines, and a variety of other taxes and fees. D.C. also uses many state-level revenue sources, including the individual income tax, the general sales and use tax, motor vehicle license fees, business net income taxes and various excise taxes. The District levies 24 taxes and a great number of fees in support of General Fund revenue each year. With over $6.9 billion in revenue flowing into the General Fund, our taxpayers are important investors in the nation's capital city.

The District's principal local revenue producers are the individual income tax, real property taxes, sales tax, and gross receipts taxes. The real property tax, which is generally administered by local jurisdictions, is the largest source of tax receipts for the District government, accounting for 27.6 percent of total local-source General Fund revenues in fiscal year 2013. Several property tax relief options are available to eligible property owners. The most widely used is the Homestead Deduction Program. For owner-occupied residences of five units or less, the homestead program provides a $70,200 deduction from the assessed value. Other property tax relief measures include a 10 percent cap on the annual growth of real property tax liability for homeowners and the Senior Citizen and Disabled Homeowner Tax Relief Program, which allows certain senior citizens and persons with disabilities to claim a 50 percent reduction in property taxes.

The individual income tax, which generally is administered by state governments, is the second largest source of tax revenue for the District, providing 23.7 percent of the total local- source General Fund revenues for fiscal year 2013. Because the individual income tax is progressive, the rate of increase for income tax revenues is greater than the rate of increase in income subject to the tax. Personal income tax credits include: out-of-state tax credit, credit for child and dependent care expenses, D.C. low income credit, property tax credit, and D.C. earned income tax credit.

The District's third largest revenue producer, the sales and use tax, is based on taxable sales in the District, which include most retail items, construction materials, and utilities used by business entities. Groceries, prescription and non-prescription drugs, and professional services such as consulting, engineering, legal, and physician services, are exempt from the sales and use tax. The sales and use tax is generally administered by state and local governments. This tax provided 16.4 percent of the District's fiscal year 2013 local revenue.

Although the District has features of a complete state/local revenue structure, it does not have the mix of economic activity of a typical state or city revenue base. Manufacturing, which enhances the tax bases of most major cities and states, is largely lacking in the District.

The federal presence in the District further compounds the disparity between the revenue-raising capacity of the District and that of many state and local governments. Some of the revenue implications due to the extraordinary federal presence include: (1) a narrower property tax base because of the substantial amount of federally owned tax-exempt property in the city; (2) a reduced income and sales tax base because of the tax-exempt status of the federal government, which is the city's largest employer, and (3) a significant amount of tax-exempt property due to the presence of foreign embassies. Federal actions that limit the District's tax revenues include: (1) prohibition of taxing non-resident income earned in the District; and (2) congressional limitations on the height of buildings in the District, which restrain economic development.

Details concerning the various taxes used by the District are presented in this publication for the purpose of taxpayer education and to enhance citizens' awareness of their tax responsibilities. The Office of Revenue Analysis welcomes comments on this document and how it could be made more useful to the public.

Jeffrey S. DeWitt
Chief Financial Officer
Government of the District of Columbia

INTRODUCTION

Each year the Office of Revenue Analysis in the Office of the Chief Financial Officer receives numerous requests from citizens, legislators and the general public for statistics relating to District tax collections, tax burdens and tax rates.

D.C. Tax Facts presents a brief summary of information on the District's tax structure, tax rates, legal references and other comparative tax data. Tax rates used in this publication are those in effect as of January 1, 2014. More detailed information on these subjects may be obtained online from other publications of this office, including: (1) *A Comparison of Tax Rates and Burdens in the Washington Metropolitan Area*, (2) *Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison,* and 3) the biannual *Tax Expenditure Report*. These publications are available on the Internet at www.cfo.dc.gov.

The primary source for the 2013 revenue numbers presented in this report is the District of Columbia Comprehensive Annual Financial Report (CAFR).

District of Columbia revenues (including non-tax revenues) totaled $6.94 billion in FY 2013. Details concerning the various taxes used by the District are presented in this publication for the purpose of taxpayer education and to enhance citizens' awareness of their tax responsibilities.

Questions regarding this report should be directed to: Lori Metcalf, Fiscal Analyst, Office of the Chief Financial Officer, Office of Revenue Analysis, 1101 4th Street, SW, Suite W770, Washington, DC 20024. Telephone: (202) 727-3305.

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PART I -- D.C. GENERAL FUND REVENUES, FY 2013, FY 2014 and FY 2015 (estimated)

TABLE 1
GENERAL FUND
FISCAL YEAR 2013 REVENUES
(In Thousands of Dollars and Percent Composition)

Tax	FY 2013 Revenues	Percent of General Fund Own Source Revenues
Real Property 1/	1,914,840	27.61%
Personal Property	54,878	0.79%
Public Space Rental	33,370	0.48%
Sales and Use 2/	1,137,892	16.40%
Alcoholic Beverages	5,945	0.09%
Cigarette	33,991	0.49%
Motor Vehicle Excise	46,584	0.67%
Motor Vehicle Fuel Tax 3/	22,391	0.32%
Individual Income	1,640,899	23.66%
Corporate Franchise	298,983	4.31%
U.B. Franchise	154,297	2.22%
Public Utility 4/	142,452	2.05%
Toll Telecommunications Tax 4/	56,761	0.82%
Insurance Premiums 5/	77,549	1.12%
Health Care Provider Tax 6/	15,117	0.22%
Baseball Gross Receipts Tax 4/	29,234	0.42%
Hospital Bed Tax 7/	15,156	0.22%
ICF-IDD Assessment 8/	2,622	0.04%
HMSC Contribution 5/	5,000	0.07%
Estate	39,700	0.57%
Deed Recordation 9/	208,568	3.01%
Deed Transfer 9/	152,889	2.20%
Economic Interest	5,815	0.08%
COOP Recordation	5,553	0.08%
Total Tax Revenue 10/	**5,932,957**	85.53%
Non-Tax Revenue	466,050	6.72%
Other Sources 11/	68,314	0.98%
Special Purpose (O Type) 12/	469,143	6.76%
TOTAL GENERAL FUND 10/	**6,936,464**	100.00%

1/ Gross before transfer to the TIF Fund.
2/ Gross before legislated transfers to: Washington Convention Center Authority for retirement of debt, Tax Increment Financing Fund, Ballpark Fund, Healthy Schools, ABRA, and WMATA.
3/ Gross before transfer to the Highway Trust Fund.
4/ Gross before transfer to the Ballpark Fund.
5/ Gross before transfer to the Healthy DC Fund.
6/ Gross before transfer to the Nursing Facility Quality of Care Fund.
7/ Hospital Bed Tax transfers to Hospital Fund.
8/ ICF-IDD Assessment transfers to Stevie Sellows Quality Improvement Fund.
9/ Gross before transfer to the Housing Production Trust Fund (HPTF).
10/ Excludes Dedicated Tax Revenue transferred to Enterprise Funds in Fiscal Year 2013.
11/ Legalized gambling transfer (lottery) and Interfund transfer.
12/ Special-Purpose Revenues, which are generated from fees, fines, assessments, or reimbursements that are dedicated to the agency that collects the revenues, are often called "Other-Type," or "O-Type" Funds.

Note: Some figures may differ from reported CAFR numbers as specific definitions of funds may vary.

TABLE 2
GENERAL FUND
FY 2014 and FY 2015 REVENUE ESTIMATES
(In Thousands of Dollars)

Tax	FY 2014 Estimates	FY 2015 Estimates
Real Property 1/	2,014,176	2,178,478
Personal Property	56,410	56,974
Public Space Rental 2/	34,512	34,339
Sales and Use 3/	1,189,618	1,237,076
Alcoholic Beverages	6,153	6,381
Cigarette	33,400	32,832
Motor Vehicle Excise	47,705	48,898
Motor Vehicle Fuel Tax 4/	22,391	22,167
Individual Income	1,721,218	1,780,192
Corporate Franchise	315,760	326,037
U.B. Franchise	159,092	168,761
Public Utility 5/	147,677	151,018
Toll Telecommunications Tax 5/	59,295	60,132
Insurance Premiums 6/	87,353	91,880
Health Care Provider Tax 7/	14,114	15,117
Baseball Gross Receipts Tax 5/	25,251	26,059
Hospital Bed Tax and Provider Fee 8/	27,915	-
ICF-IID Assessment 9/	5,202	5,519
HMSC Contribution 6/	5,000	-
Estate	39,700	39,700
Deed Recordation 10/	178,571	189,824
Deed Transfer 10/	126,113	131,914
Economic Interest	13,000	4,800
COOP Recordation	5,496	5,551
Total Tax Revenue 11/	**6,169,681**	**6,440,957**
Non-Tax Revenue	396,708	453,117
Other Sources 12/	60,181	66,000
Special Purpose (O Type) 13/	499,539	548,040
TOTAL GENERAL FUND 11/	**7,126,109**	**7,508,114**

1/ Gross before transfer to the TIF Fund.
2/ Gross before transfer to the DDOT Enterprise Fund for Transportation Initiatives, beginning in FY 2014.
3/ Gross before legislated transfers to: Washington Convention Center Authority for retirement of debt, Tax Increment Financing (TIF) Fund, Ballpark Fund, Healthy Schools, ABRA, Healthy DC Fund, and WMATA.
4/ Gross before transfer to the Highway Trust Fund.
5/ Gross before transfer to the Ballpark Fund.
6/ Gross before transfer to the Healthy DC Fund.
7/ Gross before transfer to the Nursing Facility Quality of Care Fund.
8/ Hospital Bed Tax and Provider fee transfers to Hospital Fund and Hospital Provider Fee Fund.
9/ ICF-IID Assessment transfers to Stevie Sellows Quality Improvement Fund.
10/ Gross before transfer to the Housing Production Trust Fund (HPTF).
11/ Excludes Dedicated Tax Revenue transferred to Enterprise Funds in Fiscal Years 2014 and 2015.
12/ Legalized gambling transfer (lottery) and Interfund transfer.
13/ Special-Purpose Revenues, which are generated from fees, fines, assessments, or reimbursements that are earmarked to the agency that collects the revenues, are often called "Other-Type," or "O-Type" Funds.

Note: February 27, 2014 estimates.

PART II – DISTRICT OF COLUMBIA TAXES AND NON-TAX REVENUE SOURCES

ALCOHOLIC BEVERAGE TAX

GENERAL LIABILITY:

The tax is levied on all alcoholic beverages manufactured by a holder of a manufacturer's license and on all beverages brought into the District by the holder of a wholesaler's license.

D.C. Code Citation: Title 25, Chapter 9.

PRESENT RATES: (January 1, 2014)

Beer -- $2.79 per 31 gallon barrel
Light wine (14% alcohol or less) -- 30¢ per gallon
Heavy wine (over 14% alcohol) -- 40¢ per gallon
Champagne and sparkling wine -- 45¢ per gallon
Spirits -- $1.50 per gallon

REVENUE:

Fiscal Year	Revenues
2013	$5,945,000
2014 (Estimate)	$6,153,000
2015 (Estimate)	$6,381,000

COMPARATIVE DATA: (January 1, 2014)

Metropolitan Area
Alcoholic Beverage Tax Facts

ITEM	DC	MD	VA
Beer (per barrel)	$2.79 1/	$2.79 1/	$8.06
Spirits (per gallon)	1.50 1/	1.50 1/	20% of retail price
Wine (per gallon)			
14% or less alcohol	.30 1/	.40 1/	1.51 2/ 3/
More than 14% alcohol	.40 1/	.40 1/	1.51 2/
Sparkling wine (per gallon)	.45 1/	.40 1/	1.51 2/ 3/

1/ In addition, a 10% sales tax applies in DC and a 9% sales tax applies in MD.
2/ In addition, state sales tax applies. This includes a 4% state tax on retail prices and $.40 per liter wine tax, and the 5.3% state sales tax applied at ABC stores, except in Northern Virginia and Hampton Roads regions where the state sales tax rate applied is 6%.
3/ If the alcohol content is less than 4% the tax is $.26.

CIGARETTE TAX

GENERAL LIABILITY:

The cigarette tax is levied on the sale or possession of all cigarettes in the District. Cigarettes sold to the military and to Congress are exempt from the tax.

D.C. Code Citation: Title 47, Chapter 24.

PRESENT RATES: (January 1, 2014)

Tax on a pack of twenty cigarettes is $2.86 per package or 14.3¢ per cigarette, and on little cigars that weigh no more than 4.5 pounds per thousand. This includes a $0.36 per pack surtax in lieu of a retail sales tax (for packs 20 or fewer cigarettes). For more than 20 per pack, the surtax will be incrementally increased by $0.18 per each cigarette above 20. In addition, "other tobacco products," including cigars, pipe tobacco, chewing tobacco, smokeless tobacco, snuff, roll-your-own tobacco, or any other product containing tobacco intended for human consumption, is taxed at 75¢ per ounce.

Note: as of October 1, 2014, the current $0.36 surtax will increase to $0.40, making the tax per pack of 20 cigarettes $2.90. The surcharge is adjusted to reflect the increase in the average retail sales price of a pack of cigarettes.

REVENUE:

Fiscal Year	Revenues
2013	$33,991,000
2014 (Estimate)	$33,400,000
2015 (Estimate)	$32,832,000

COMPARATIVE DATA: (January 1, 2014)

Metropolitan Area
Cigarette Tax Facts

State	Tax Per Pack of 20
DC	$2.86 1/
Maryland	$2.00
Virginia 2/	$0.30
Alexandria	*$1.00*
Arlington County	*$0.30*
Fairfax City	*$0.85*
Fairfax County	*$0.30*
Falls Church	*$0.75*

1/ Will increase to $2.90 on October 1, 2014
2/ Plus additional local rates.

ESTATE TAX

GENERAL LIABILITY:

The estate tax is imposed on the estate of every decedent who died while still a resident of the District, and on the estate of every nonresident decedent owning property having a taxable situs in the District at the time of his or her death.

In response to the Federal Economic Growth and Tax Relief Reconciliation Act (EGTRRA) of 2001, the District decoupled from federal estate tax rules. The federal legislation gradually eliminated the federal estate tax over the next several years, with full repeal taking effect in year 2010. However, the estate tax elimination was only temporary, with the full estate tax scheduled to return in 2011. In the American Taxpayer Relief Act of 2012, federal policymakers agreed on a permanent change to the estate tax after a decade of flux. The federal estate tax rate will be 40 percent and the exemption level ($5.34 million in 2014) will be indexed for inflation.

By decoupling, the District has chosen to maintain its estate tax threshold at $1 million. Hence, some District estate tax payers may be required to file and pay District estate taxes even when no federal filing or tax is due. The District's estate tax rates are linked to federal estate tax credits that were available prior to the enactment of EGTRRA. The highest rate of 16.0 percent applies to estates valued at more than $10,040,000 (after allowable federal credits are taken). For a decedent whose death occurs after January 1, 2003, the unified credit is $345,800.

The FY15 Budget Support Act of 2014 institutes a revenue trigger for implementation of tax policy changes recommended by the District's Tax Revision Commission beyond FY 2015, one of which is to raise the estate tax threshold from $1 million to $2 million. This change will not go into effect unless the revenue triggers are met, and there are five other tax policy changes (mostly reductions) that would go into effect before this increase in the estate tax threshold.

There is no inheritance or gift tax in the District of Columbia.

D.C. Code Citation: Title 47, Chapter 37.

REVENUES:

Fiscal Year	Revenues
2013	$39,700,000
2014 (Estimate)	$39,700,000
2015 (Estimate)	$39,700,000

HEALTH EXCHANGE ASSESSMENT

GENERAL LIABILITY:

The Health Benefit Exchange Authority Financial Sustainability Amendment Act of 2014 allows the Health Benefit Exchange Authority ("Authority") to annually assess health insurance carriers operating in the District with direct gross receipts of $50,000 or more. The assessment will be a percentage of the carriers' direct gross receipts. Each year the Authority will set the percentage so that enough funds are generated for operations, making the Authority self-sustaining as required by federal law.

The Authority was initially allowed to collect fees from health insurance carriers under the District of Columbia Health Exchange Authority Authorizing Act of 2011, passed into law on December 20, 2011. Federal law requires that starting in January 1, 2015, each state's exchange must be financially self-sustaining. The legislation authorized establishment of user fees to create a revenue source to fund the exchange.

This new legislation clarifies the Authority's power to collect this money after health insurance carriers said the original law was unclear, and it affirms that the money will be collected via an assessment. Starting January 1, 2015, Authority operations will be funded by the assessment.

For FY 2014, the Authority is funded with federal money. The Authority has an FY 2015 budget of $28,751,244. To cover FY 2015 operating expenses, the Authority will assess health insurance carriers at a rate just under 1 percent. In subsequent years, the Authority will adjust the assessment rate so that it will fund the annual budget.

D.C. Code Citation: Title 31, Chapter 31D

REVENUES:

Fiscal Year	Revenues
2014 (Estimate)	--
2015 (Estimate)	$28,751,244

INCOME TAXES
CORPORATION AND UNINCORPORATED BUSINESS FRANCHISE TAXES

GENERAL LIABILITY:

The corporation franchise tax is imposed on corporations carrying on a trade, business or profession in the District or receiving income from District sources. Effective July 1, 1981, financial institutions became subject to the corporation franchise tax. Prior to this date these institutions were subject to a gross earnings tax.

Whoever engages in a trade, business or profession in the District of Columbia must register. Failure to register may result in a fine of not more than $500 and a civil penalty of $50 for each and every separate day that such failure to register continues.

The tax on unincorporated businesses is imposed on businesses with gross income over $12,000. A 30% salary allowance for owners and a $5,000 exemption are deductible from net income to arrive at taxable income. No person other than a corporation shall engage in or conduct a trade, business or profession, which is excluded from the imposition of the District of Columbia tax on unincorporated businesses and whose gross income for the calendar year is expected to exceed $12,000, without first making application for a trade and business license. A person who fails to obtain a trade or business license may be fined not more than $300 for each day that such failure continues.

Generally, persons exempt from filing an unincorporated business franchise tax return include trade, business, or professional organizations having a gross income not in excess of $12,000 for the taxable year, and trade, business, or professional organizations which by law, customs, or ethics cannot be incorporated, such as doctors and lawyers. Federal conformity is maintained pursuant to Public Law 105-100. It continues the District's limited conformity with the Internal Revenue Code (IRC) of 1986 as amended through August 20, 1996.

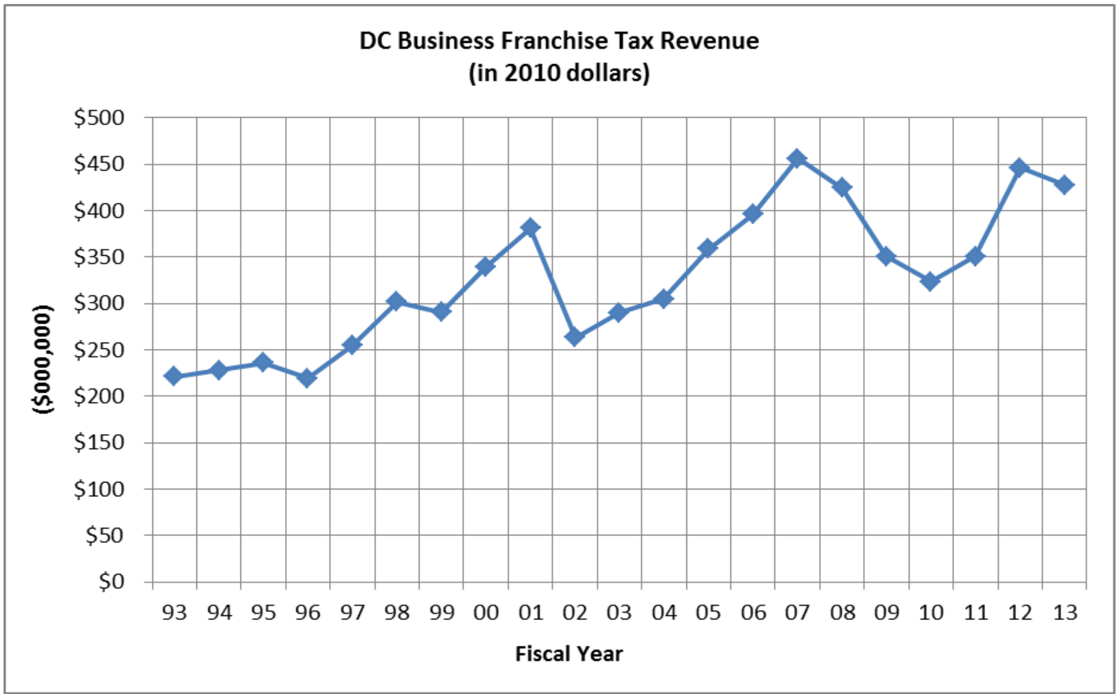
D.C. Code Citation: Title 47, chapter 18.

PRESENT RATES: (January 1, 2014)

The franchise tax rate is 9.975 percent of taxable income, a rate of 9.5 percent plus a surtax equal to 5 percent of the base rate. Per Subchapter 17 Qualified High Technology Companies are taxed at 6.0 percent for the first 5 years, not to exceed $15 million in exemption.

REVENUE:

Fiscal Year	Corporation	Unincorporated Business
2013	$298,983,000	$154,297,000
2014 (Estimate)	$315,760,000	$159,092,000
2015 (Estimate)	$326,037,000	$168,761,000



YEAR	DC BUSINESS FRANCHISE TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$221.4	5.5%
1994	$228.0	6.1%
1995	$236.0	6.7%
1996	$219.1	6.3%
1997	$254.6	7.3%
1998	$301.8	7.9%
1999	$290.6	7.6%
2000	$339.7	8.4%
2001	$381.4	9.2%
2002	$263.4	6.5%
2003	$289.8	7.0%
2004	$304.7	6.7%
2005	$358.7	7.4%
2006	$396.0	7.9%
2007	$456.1	8.2%
2008	$424.5	7.8%
2009	$350.5	6.8%
2010	$323.7	6.5%
2011	$350.8	6.8%
2012	$446.0	8.0%
2013	$427.6	7.4%

INDIVIDUAL INCOME TAX
GENERAL LIABILITY:

The tax is imposed on every resident, defined as any individual who is domiciled in the District at any time during the tax year, or who maintains an abode in the District for 183 or more days during the year. On June 11, 1982, D.C. Law 4-118, the District of Columbia Individual, Estates, and Trusts Federal Conformity Tax Act, which adopted the federal definition of income and made other modifications to the D.C. income tax, became law. Provisions of this legislation are effective for tax years beginning after December 31, 1981.

Further conformity to federal provisions was made pursuant to D.C. Law 5-32, the District of Columbia Income and Franchise Tax Conformity Act of 1983; the Conformity Act of 1984; the Income and Franchise Tax Conformity and Revision Amendment Act of 1987.
Under current District law (DC Law 13-175) federal changes in income and deductions are adopted automatically. The latest conformity legislation is Public Law 105-100. It maintains the District's limited conformity with the Internal Revenue Code (IRC) of 1986 as amended through August 20, 1996.

Note: Various recommendations of the DC Tax Revisions Commission were adopted into law, effective in FY2015. See page 46 for a listing of these income tax provisions.

D.C. Code Citation: Title 47, Chapter 18.

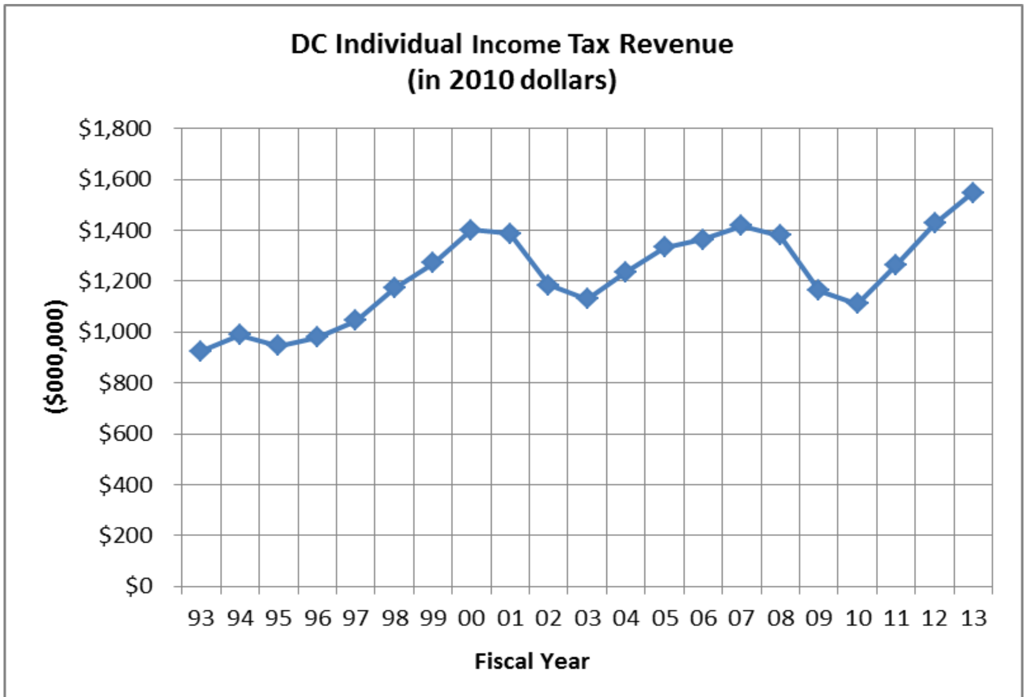
PRESENT RATES: (January 1, 2014)

Taxable Income	Tax Rate
First $10,000	4.0%
Over $10,000, but not over $40,000	$ 400 + 6.0% of excess>$10,000
Over $40,000, but not over $350,000	$ 2,200 + 8.5% of excess>$40,000
Over $350,000	$28,550 + 8.95% of excess > $350,000
Standard Deduction/Exemption*	
Standard Deduction	
Married Filing Separately	$2,075
All Others	$4,150
Exemptions	
Single/Married Filing Separate	$1,725
Married Filing Jointly/ Head of Household	$3,450

*Beginning January 1, 2013, the standard deduction and personal exemption amounts are increased annually by a cost-of-living adjustment.

REVENUE:

Fiscal Year	Revenues
2013	$1,640,899,000
2014 (Estimate)	$1,721,218,000
2015 (Estimate)	$1,780,192,000



YEAR	DC INDIVIDUAL INCOME TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$ 928.1	25.2%
1994	$ 990.2	28.6%
1995	$ 947.8	28.9%
1996	$ 982.3	30.6%
1997	$1,047.8	32.1%
1998	$1,176.2	32.9%
1999	$1,274.6	34.9%
2000	$1,404.2	36.6%
2001	$1,390.8	35.3%
2002	$1,185.2	32.0%
2003	$1,131.4	29.0%
2004	$1,238.2	28.9%
2005	$1,333.6	28.8%
2006	$1,366.1	28.9%
2007	$1,419.0	27.3%
2008	$1,380.7	26.9%
2009	$1,163.4	24.0%
2010	$1,110.4	23.6%
2011	$1,265.1	26.2%
2012	$1,430.3	27.4%
2013	$1,548.1	26.9%

INSURANCE PREMIUMS TAX

GENERAL LIABILITY:

The tax is imposed on the gross insurance premiums received for insuring against risks in the District, less premiums received for reinsurance assumed, returned premiums and dividends paid to policyholders. All domestic and foreign insurance companies are liable for the tax, which is in lieu of all other taxes except real estate taxes and fees provided for by the District's insurance law.

D.C. Code Citation: Title 31; Title 47, Chapter 26.

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$77,549,000	$51,920,000
2014 (Estimate)	$87,353,000	$52,658,000
2015 (Estimate)	$91,880,000	$53,713,000

TRANSFER:

Fiscal Year	Healthy DC Fund
2013	$25,629,000
2014 (Estimate)	$34,695,000
2015 (Estimate)	$38,167,000

COMPARATIVE DATA: (January 1, 2014)

Insurance Premiums Tax Facts

Type of Company/Policy	DC 1/	MD	VA
Life insurance companies	2.00%	2.00%	2.25%
Life insurance special benefits	2.00%	2.00%	2.25%
Domestic mutual companies	2.00%	2.00%	1.00%
Industrial sick benefit companies	2.00%	2.00%	1.00%
Worker's compensation	2.00%	2.00%	2.50%
Other	2.00% 2/	2.00% 3/	2.25% 4/
Legal service insurance companies	---	---	2.25%

1/ Of insurance premium taxes generated by policies with health maintenance organizations (HMO), 75% of the 2.00% is distributed to the Healthy DC fund for the purpose of providing affordable health benefits to eligible individuals.
2/ 2.0% on surplus line brokers, and on health insurance premiums and HMO's.
3/ 3.0% on unauthorized insurers and surplus line brokers, and 1% on auto liability insurers.
4/ Includes surplus line brokers.

MOTOR VEHICLE TAXES

MOTOR VEHICLE EXCISE TAX

GENERAL LIABILITY:

The excise tax is imposed on the issuance of every original and subsequent certificate of title on motor vehicles and trailers. Vehicles brought into the District by new residents, who have been titled elsewhere, are exempt from the tax.

D.C. Code Citation: Title 50, Chapter 22.

PRESENT RATES: (January 1, 2014)

Based on manufacturer's shipping weight

6% of fair market value-3,499 pounds or less
7% of fair market value-3,500 - 4,999 pounds
8% of fair market value-5,000 pounds or more

REVENUE:

Fiscal Year	Collections
2013	$46,584,000
2014 (Estimate)	$47,705,000
2015 (Estimate)	$48,898,000

COMPARATIVE DATA: (January 1, 2014)

Metropolitan Area Motor Vehicle Excise Tax Facts

State	Rate (based on FMV)
DC 1/	6-8%
Maryland 1/	6%
Virginia 2/	4%

1/ Based on fair market value. In Maryland, there is a minimum tax of $38.40.
2/ Based on vehicle’s gross sales price, or $75, whichever is greater. An additional $64 fee applies to hybrid and electric vehicles, excluding mopeds.

MOTOR VEHICLE FUEL TAX

GENERAL LIABILITY:

The tax is imposed on every importer of motor vehicle fuels, including gasoline, diesel fuel, benzol, benzene, naphtha, kerosene, heating oils, all liquefied petroleum gases and all combustible gases and liquids suitable for the generation of power for the propulsion of motor vehicles. Since October 1, 1996, the revenue from the motor vehicle fuel tax has been deposited into the Highway Trust Fund, rather than the General Fund.

In 2014, the District began levying the motor fuel vehicle tax at the wholesale level, equal to 8 percent of the average wholesale price of a gallon of regular gasoline. The floor on the wholesale price for the calculation of the tax is $2.94, or 23.5 cents per gallon. This is the average wholesale price in effect as of April 2014; it may increase in the future.

D.C. Code Citation: Title 47, Chapter 23.

PRESENT RATES: (January 1, 2014)

23.5¢ per gallon

REVENUE:

Fiscal Year	Revenues
2013	$22,391,000
2014 (Estimate)	$22,391,000
2015 (Estimate)	$22,167,000

COMPARATIVE DATA: (January 1, 2014)

Metropolitan Area Gasoline Tax Facts

State	Rate per Gallon
DC	$0.235
Maryland	$0.270
Virginia *	$0.111

** Virginia also has a 2.1% local wholesale sales tax on fuel sold in the Northern Virginia and Hampton Roads Planning District Commission areas.*

MOTOR VEHICLE REGISTRATION FEES

GENERAL LIABILITY:

Fees are imposed on every vehicle operated over the highways of the District of Columbia by a resident. A resident has the option of registering every two years.

D.C. Code Citation: Title 50, Chapter 15.

PRESENT RATES: (January 1, 2014) - Based on manufacturer's shipping weight

PASSENGER CARS – Class A	
Class I (3,499 pounds or less)	$ 72
Class II (3,500 – 4,999 pounds)	$115
Class III (5,000 pounds or greater)	$155
Class IV (clean fuel or electric vehicle [Hybrid])	$ 36
Motorized bicycle	$ 30
Motorcycles	$ 52
Antique vehicles	$ 25
TRUCKS AND BUSES – Class B	
Class I (3,499 pounds or less)	$125
Class II (3,500 – 4,999 pounds)	$160
Class III (5,000 – 6,999 pounds)	$220
Class IV (7,000 – 9,999 pounds)	$300
Class V (10,000 pounds or greater) 1/	$575
TRAILERS – Class C	
Class I (1,499 pounds or less)	$ 50
Class II (1,500 – 3,499 pounds)	$125
Class III (3,500 – 4,999 pounds)	$250
Class IV (5,000 – 6,999 pounds)	$400
Class V (7,000 – 9,999 pounds)	$500
Class VI (10,000 pounds – or greater) 2/	$500
Driver's license (1st time & renewal) 3/	$ 44
Learner's permit	$ 20
Driver's license reinstatement	$ 98
Driver's instructor license	$ 78
Vehicle titles: New titles Duplicate titles Lien recordation (per lien)	 $ 26 $ 26 $ 20
Temporary tags	$ 13
Inspection fee 4/	$ 35
Residential parking permits	$ 35
Reciprocity parking permit for students	$338

1/ Additional $25 per 1,000 pounds over 10,000 pounds.
2/ Additional $50 per 1,000 pounds over 10,000 pounds.
3/ Eight years.
4/ Two years.

Source: DC Department of Motor Vehicles, www.dmv.dc.gov.

MOTOR VEHICLE REGISTRATION FEES-Continued

REVENUE:

Fiscal Year	Revenues
2013	$26,138,000
2014 (Estimate)	$27,035,000
2015 (Estimate)	$27,035,000

COMPARATIVE DATA: (January 1, 2014)

METROPOLITAN AREA MOTOR VEHICLE REGISTRATION FEES

JURISDICTION	VEHICLE WEIGHTS 3,499 lbs. OR LESS	3,500– 3,700 lbs,	3,701– 4,999 lbs.	OVER 5,000 lbs.
District of Columbia	$72.00	$115.00	$115.00	$155.00
Charles County, MD	135.00	135.00	187.00	187.00
Montgomery County, MD	135.00	135.00	187.00	187.00
Prince George's County, MD	135.00	135.00	187.00	187.00
Alexandria, VA 1/	73.75	73.75	78.75	78.75
Arlington County, VA 1/	73.75	73.75	78.75	78.75
Fairfax, VA 1/	73.75	73.75	78.75	78.75
Fairfax County, VA 1/	73.75	73.75	83.75	83.75
Falls Church, VA 1/	73.75	73.75	78.75	78.75
Loudoun County, VA 1/	65.75	65.75	70.75	70.75
Prince William County, VA 1/	64.75	64.75	69.75	69.75

1/ Autos also subject to personal property tax. Rates shown include a $40.75 state fee on vehicles weighing 4,000 pounds or less and a $45.75 fee on vehicles weighing more than 4,000 pounds.

PROPERTY TAXES

PERSONAL PROPERTY TAX

GENERAL LIABILITY:

The tax is levied on all tangible property, except inventories, used in a trade or business. Such property includes machinery, equipment, furniture and fixtures. Beginning July 1, 1981, financial institutions are included in the personal property tax base.

D.C. Code Citation: Title 47, Chapter 15.

PRESENT RATE: $3.40 per $100 of assessed value; the first $225,000 of taxable value is excluded from tax

REVENUE: (January 1, 2014)

Fiscal Year	Gross Revenues
2013	$54,878,000
2014 (Estimate)	$56,410,000
2015 (Estimate)	$56,974,000

COMPARATIVE DATA: (January 1, 2014)

Metropolitan Area Personal Property Tax Facts 1/

Jurisdiction	Rate
District of Columbia	$3.4000
Charles County, MD	$3.0125 2/
Montgomery County, MD	$1.8980 2/
Prince George's County, MD	$2.4000 2/
Alexandria, VA	$5.0000 3/
Arlington County, VA	$5.0000 3/
Fairfax City, VA	$4.1300 3/
Fairfax County, VA	$4.5700 3/
Falls Church, VA	$4.8400 3/
Loudoun County, VA	$4.2000 3/
Prince William County, VA	$3.7000 3/

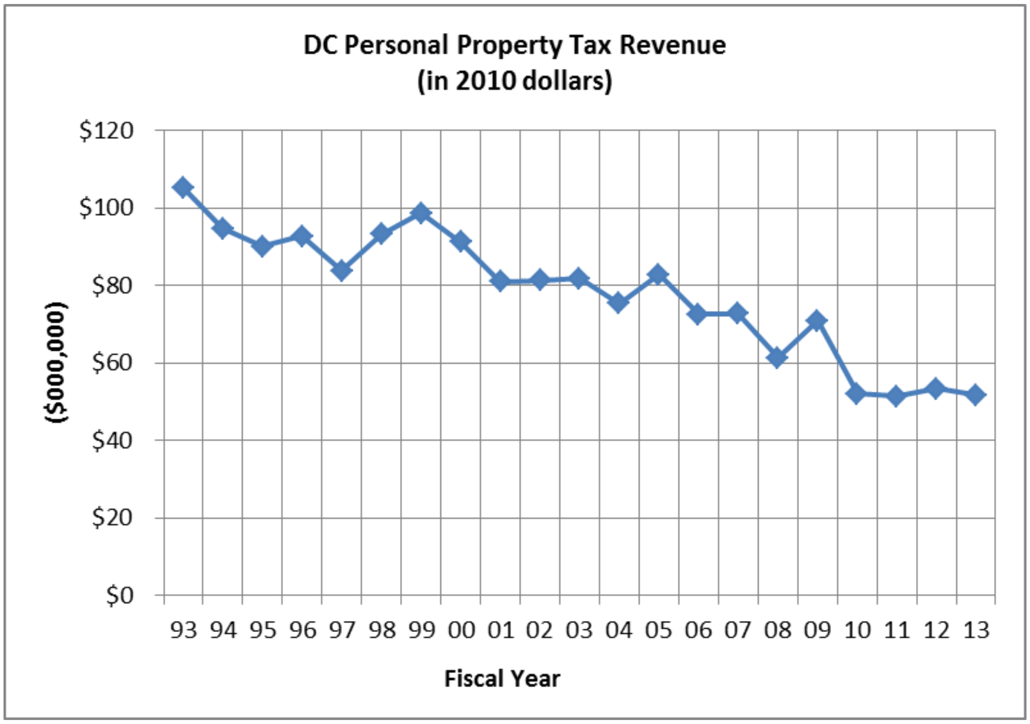
1/ Personal property tax year in the Virginia area jurisdictions is on a calendar year basis. The rates submitted by Virginia jurisdictions for this report are applicable to calendar year 2013. In the District of Columbia and the Maryland area jurisdictions, the 2013 personal property year tax is July 1, 2013 to June 30, 2014. The rates presented are those in effect for this period. Since 2001, the Virginia personal property tax relief varies by jurisdiction for qualifying vehicles.

2/ Rate applied to non-town businesses. Maryland property tax rate is not levied against personal property.

3/ Rate applied to regular individual personal property, and business tangible personal property.

Note: The above rates are per $100 of assessed value.

PERSONAL PROPERTY TAX-continued



YEAR	DC PERSONAL PROPERTY TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$105.3	2.6%
1994	$94.8	2.5%
1995	$90.0	2.6%
1996	$92.7	2.7%
1997	$83.8	2.4%
1998	$93.3	2.4%
1999	$98.7	2.6%
2000	$91.2	2.3%
2001	$81.0	1.9%
2002	$81.3	2.0%
2003	$81.8	2.0%
2004	$75.4	1.7%
2005	$82.8	1.7%
2006	$72.5	1.5%
2007	$72.8	1.3%
2008	$61.3	1.1%
2009	$70.8	1.4%
2010	$52.0	1.0%
2011	$51.4	1.0%
2012	$53.3	1.0%
2013	$51.8	0.9%

REAL PROPERTY TAX

GENERAL LIABILITY:

All real properties, other than residential owner-occupied and expressly exempted properties, are subject to taxation at 100% of estimated market value. The current District of Columbia property tax uses four classifications of property: Class I--improved residential real property; Class II--commercial property; Class III—improved vacant property; and Class IV—improved blighted property.

The assessed value for each Class I owner-occupied residence (including condominiums) which qualifies as a homestead is reduced by a $70,200 homestead deduction. This exemption will be indexed annually (by the CPI) on October 1st of each year. The assessed value of residential real property owned by a cooperative housing association is 65% of value (but the homestead exemption may not exceed $70,200 multiplied by the number of units occupied by the shareholders) regardless all property owners (except exempt property owners) must pay the tax on a minimum of 40% of the assessed value. Owner-occupied residential properties are also subject to a 10% property tax cap whereby the property tax paid on the property is limited to at most 110% of the tax paid the previous year. First-time homeowners may be eligible for abatement of real property taxes for a period of five years under the First Time Homebuyers Lower Income Home Ownership Tax Abatement program. Owners of certain certified historic buildings may receive property tax relief through special assessment if the owners enter an agreement with the city for at least twenty years. The District also has a property tax relief "circuit-breaker" program for qualified homeowners and renters, which provides a tax credit for those with low and moderate income, the elderly, blind and disabled. For qualified retired senior homeowners, as well as homeowners with a disability, the District allows a 50 percent reduction in the amount of real property taxes that would otherwise be payable. In addition, a property tax deferral program allows qualified homeowners to defer a portion of their taxes.

District law limits the estimated amount of total real property taxes collected from all residential properties (Class I) by limiting the annual growth in total real property taxes from all residential properties, by way of a calculated tax rate. If, just before the start of the fiscal year, it is estimated that actual Class I revenue will exceed the targeted growth amount, the residential tax rate is to be lowered to achieve only the statutorily specified revenue amount.

Beginning in FY 2009, Class II properties have been subject to a split tax rate structure. The tax rate for the first $3 million in assessed value for Class II properties is set at $1.65 per $100 of assessed value and the tax rate for assessed valued greater than $3 million is $1.85 per $100 of assessed value. Additionally, legislation limits the growth in total Class II revenue to 10 percent annually. If, just before the start of the fiscal year, it is estimated that actual Class II revenue will exceed the targeted growth amount, the tax rate for the first $3 million of assessed value is to be lowered to achieve only the statutorily specified revenue amount for all of Class II properties.

D.C. Code Citation: Title 47, Chapters 7-10, 13, 13A.

The District's Real Property Tax Year is October 1 through September 30.

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$1,914,840,000	$1,886,854,000
2014 (Estimate)	$2,014,176,000	$1,970,967,000
2015 (Estimate)	$2,178,478,000	$2,135,347,000

Tax Increment Financing (TIF) Program Transfer:

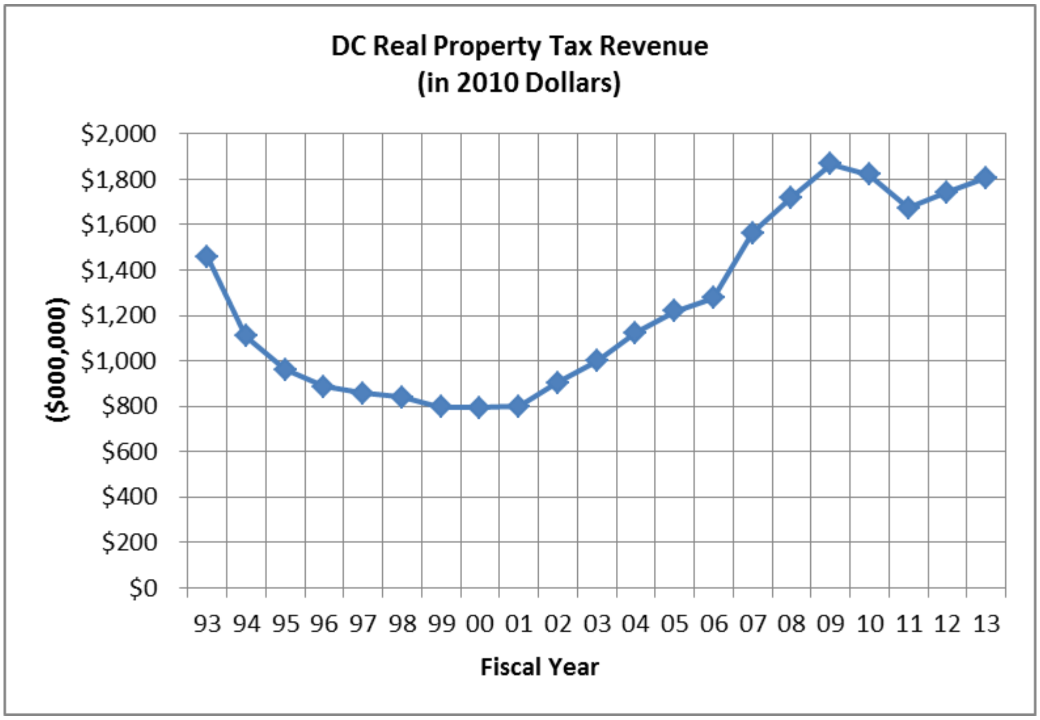
Fiscal Year	Transfer Amount
2013	$27,986,000
2014 (Estimate)	$43,209,000
2015 (Estimate)	$43,131,000

COMPARATIVE DATA: (January 1, 2014)

METROPOLITAN AREA REAL PROPERTY TAX FACTS

JURISDICTION	NOMINAL TAX PER $100 VALUE	LEGAL ASSESSMENT (% of estimated market value)	TAX RATE PER $100 VALUE 6/
D.C.			
Class I (Residential) 1/	$ 0.850	100%	$ 0.850
Class II (commercial) 2/	$ 1.850	100%	$ 1.850
Class III (vacant)	$ 5.000	100%	$ 5.000
Class IV (blighted)	$10.00	100%	$10.00
MARYLAND			
Charles Co. 3/ 4/	$ 1.317	100%	$ 1.317
Montgomery Co. 5/	$ 0.871	100%	$ 0.871
Prince George's Co. 3/	$ 1.072	100%	$ 1.072
VIRGINIA			
Alexandria	$ 1.043	100%	$ 1.043
Arlington Co.	$ 1.006	100%	$ 1.006
Fairfax City	$ 1.060	100%	$ 1.060
Fairfax Co.	$ 1.090	100%	$ 1.090
Falls Church	$ 1.350	100%	$ 1.350
Loudoun Co.	$ 1.155	100%	$ 1.155
Prince William Co.	$ 1.148	100%	$ 1.148

1/ The first $70,200 of assessed value is exempt from the tax on owner-occupied housing.
2/ 1st $3(M) rate is $1.65 per $100 of assessed value.
3/ Rates shown include a state rate of 11.2 cents per $100 of assessed value.
4/ Rates are different in tax districts with various levies for fire, rescue and recreation.
5/ Rates include Maryland State General Fund rate of $.0759
6/ Nominal tax rate x assessment = tax rate.



YEAR	DC REAL PROPERTY TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$1,457.7	36.3%
1994	$1,109.1	29.6%
1995	$ 961.1	27.4%
1996	$ 887.4	25.7%
1997	$ 856.9	24.5%
1998	$ 840.3	22.0%
1999	$ 798.1	20.8%
2000	$ 794.4	19.6%
2001	$ 799.5	19.2%
2002	$ 905.2	22.5%
2003	$1,000.1	24.3%
2004	$1,124.8	24.9%
2005	$1,217.9	25.0%
2006	$1,276.8	25.5%
2007	$1,563.9	28.1%
2008	$1,719.1	31.4%
2009	$1,867.0	36.1%
2010	$1,821.5	36.4%
2011	$1,672.6	32.2%
2012	$1,744.1	31.1%
2013	$1,806.6	31.4%

GENERAL LIABILITY:

The tax is imposed on commercial use of publicly-owned property between the property line and the street

D.C. Code Citation: Title 10, Chapter 11.

PRESENT RATE: (January 1, 2014)

Various rates for the following: vault, sidewalk (enclosed and unenclosed cafes), surface and fuel oil tank.

Calculation of Vault Rental Fees
Vault Rental Fee **=** (assessed value of the land by square foot) **x** (vault square footage) **x** (utilization factor)

Note: The assessed value of the land is determined by the Office of Tax & Revenue; the vault square footage is supplied by the D.C. Department of Transportation's Public Space Regulation Administration (PSRA); and the utilization factor is currently 1.2% for vaults with a single level and .30% for additional levels (which is applied based on information supplied by PSRA).

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$33,370,000	$33,370,000
2014 (Estimate)	$34,512,000	$34,012,000
2015 (Estimate)	$34,339,000	$33,839,000

Transfer to DDOT Enterprise Fund for Transportation Initiatives:

Fiscal Year	Transfer Amount
2013	$0
2014 (Estimate)	$500,000
2015 (Estimate)	$500,000

PUBLIC UTILITY TAX

GENERAL LIABILITY:

The tax is imposed on the gross receipts of telephone, television and radio companies and on the units delivered to customers of natural gas, electricity and heating oil.

D.C. Code Citation: Title 47, Chapter 25.

PRESENT RATE: (January 1, 2014)

Note: Non-residential rates are 10% greater than the residential rates. The 10% surcharge on non-residential customers is dedicated to the Ballpark Revenue Fund.

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$142,452,000	$133,799,000
2014 (Estimate)	$147,677,000	$138,643,000
2015 (Estimate)	$151,018,000	$141,857,000

Transfer to Ballpark Fund:

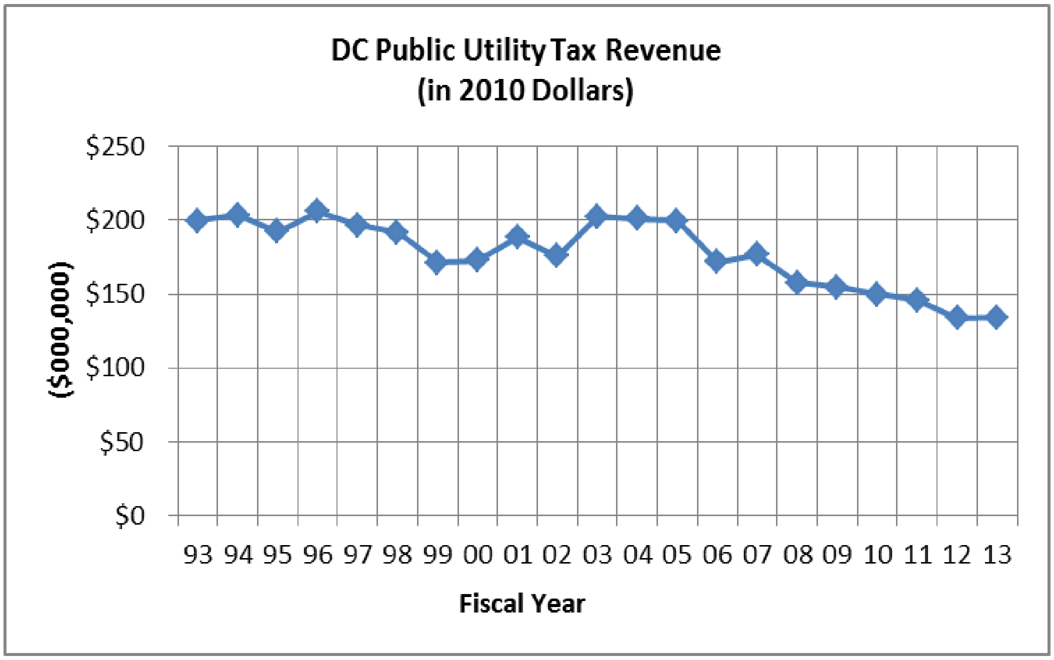
Fiscal Year	Transfer Amount
2013	$8,653,000
2014 (Estimate)	$9,034,000
2015 (Estimate)	$9,161,000

COMPARATIVE DATA: (January 1, 2014)

METROPOLITAN AREA UTILITY TAX FACTS

JURISDICTION	UTILITIES SUBJECT TO TAX	RATE	BASIS
District of Columbia	Television, radio and telephone	10.0% 11.0%	Gross receipts Residential Non-residential
	Heating oil	$0.17 $0.187	Per Gallon Residential Non-residential
	Natural gas	$0.0707 $0.07777	Per Therm Residential Non-residential
	Electric distribution	$0.0070 $0.0077	Per Kilowatt Hr Residential Non-residential.
Maryland	Electric, Light and power, gas, oil pipeline, telegraph and telephone companies	2.04%	Gross receipts
Virginia	Water	2.0%	Gross receipts
	Electric 1/ 2,500 – 5,000 kWh 5,000 – 50,000 kWh Above 50,000 kWh Gas 1/ Below 500 CCF	$0.00102/kWh $0.00065/kWh $0.00050/kWh $0.0135/CCF	Utility Consumption
	Telegraph and Telephone2/		

1/ Local consumption tax rates and a special regulatory tax rate may also apply.
2/ Telephone companies are subject to the corporate income tax, not the utility gross receipts tax.



YEAR	DC PUBLIC UTILITY TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$199.8	5.0%
1994	$203.8	5.4%
1995	$192.4	5.5%
1996	$205.9	6.0%
1997	$196.9	5.6%
1998	$192.1	5.0%
1999	$171.6	4.5%
2000	$172.8	4.3%
2001	$188.3	4.5%
2002	$175.7	4.4%
2003	$202.7	4.9%
2004	$201.2	4.5%
2005	$199.9	4.1%
2006	$171.7	3.4%
2007	$176.8	3.2%
2008	$157.8	2.9%
2009	$154.7	3.0%
2010	$149.9	3.0%
2011	$146.0	2.8%
2012	$133.8	2.4%
2013	$134.4	2.3%

RECORDATION AND TRANSFER TAXES

GENERAL LIABILITY:

Recordation Tax

The recordation tax is imposed on the recording of all deeds to real estate in the District. The basis of the tax is the amount of consideration given for the property, including cash, property other than cash, mortgages, liens and security interest in non-residential property. Where there is no consideration or where the consideration is nominal, the tax is imposed on the basis of the fair market value of the property.

D.C. Code Citation: Title 42, Chapter 11.

PRESENT RATE: (January 1, 2014)

Deed Recordation
1.1% of consideration or fair market value for residential property transfers < $400,000
1.45% of consideration or fair market value on the entire amount if transfer is ≥ $400,000

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$208,568,000	$177,952,000
2014 (Estimate)	$178,571,000	$151,935,000
2015 (Estimate)	$189,824,000	$161,350,000

Transfer Tax

The transfer tax is imposed on each transfer of real property at the time the deed is submitted for recordation. The tax is based upon the consideration paid for the transfer. Where there is no consideration or where the amount is nominal, the basis of the transfer tax is the fair market value of the property conveyed.

D.C. Code Citation: Title 47, Chapter 9.

PRESENT RATE: (January 1, 2014)

Deed Transfer

1.1% of consideration or fair market value for residential property transfers < $400,000
1.45% of consideration or fair market value on the entire amount if transfer is ≥ $400,000

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$152,889,000	$129,956,000
2014 (Estimate)	$126,113,000	$107,196,000
2015 (Estimate)	$131,914,000	$112,127,000

Note: All property other than Class 1 taxed at 1.45% of consideration or full market value of transfer.

RECORDATION AND TRANSFER TAXES

Fifteen percent of the District's real estate transfer taxes and 15 percent of deed recordation taxes are deposited into the Housing Production Trust Fund.

Housing Production Trust Fund Transfer:

Fiscal Year	Recordation Tax	Transfer Tax
2013	$30,616,000	$22,933,000
2014 (Estimate)	$26,636,000	$18,917,000
2015 (Estimate)	$28,474,000	$19,787,000

Economic Interest Tax

The economic interest tax is triggered by either one of the following two elements: 1) 80% or more of the assets of the entity consist of real property located in the District of Columbia; or 2) more than 50% of the gross receipts of the entity are derived from ownership or disposition of real property in DC. The consideration is not always equal to the assessed value of the property. The consideration is what is paid for the interest being transferred. If there is no tangible consideration, then the tax basis will be the assessed value of the property owned by the corporation.

A transfer of shares in a cooperative housing association in connection with the grant, transfer or assignment of proprietary leasehold or other proprietary interest, in whole or in part, is defined as a transfer of an economic interest and subject to the tax.

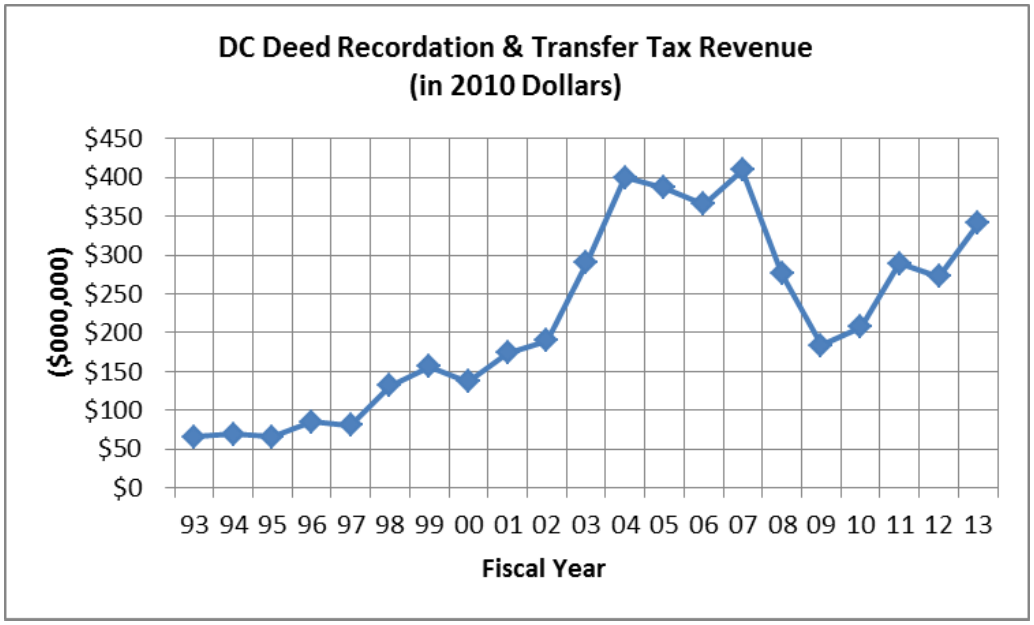
D.C. Code Citation: Title 42, Chapter 11.

PRESENT RATE: (January 1, 2014)

2.9% of consideration or fair market value, except that in the case of a transfer of economic interest in a cooperative housing association where the consideration is less than $400,000, the rate of taxation shall be 2.2%

REVENUE:

Fiscal Year	Economic Interest Transfer	COOP Transfer
2013	$5,815,000	$5,553,000
2014 (Estimate)	$13,000,000	$5,496,000
2015 (Estimate)	$4,800,000	$5,551,000



YEAR	DC DEED RECORDATION & TRANSFER TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$ 65.6	1.6%
1994	$ 69.1	1.8%
1995	$ 65.4	1.9%
1996	$ 85.0	2.5%
1997	$ 80.4	2.3%
1998	$131.4	3.4%
1999	$156.8	4.1%
2000	$136.6	3.4%
2001	$174.3	4.2%
2002	$189.7	4.7%
2003	$289.6	7.0%
2004	$399.7	8.9%
2005	$387.0	7.9%
2006	$365.3	7.3%
2007	$409.3	7.4%
2008	$275.8	5.0%
2009	$183.4	3.5%
2010	$207.4	4.1%
2011	$288.9	5.6%
2012	$272.7	4.9%
2013	$341.0	5.9%

SALES AND USE TAX
GENERAL LIABILITY:

The District of Columbia has six tax categories that fall under the general sales and use tax. The retail sales tax rate of 5.75% is imposed on all tangible personal property sold or rented at retail in the District and on certain selected services. Grocery-type foods, prescription and non-prescription drugs, and professional services such as consulting, engineering, legal, and physician services, are among the items exempt from the sales tax. Construction materials and business purchases of public utility services are among those included. The other rate categories apply to goods and services as indicated below. Beginning October 1, 2014, the list of services subject to the sales tax will expand. See page 63 for more detail.

The use tax is imposed at the same rate on property sold or purchased outside the District and then brought into the District to be used, stored or consumed. Vendors subject to the jurisdiction of the District are required to collect and pay the use tax. When the vendor is not subject to the jurisdiction of the District, or when the purchaser brings the property into the District, the purchaser is required to pay the tax.

D.C. Code Citation: Title 47, Chapters 20 and 22.

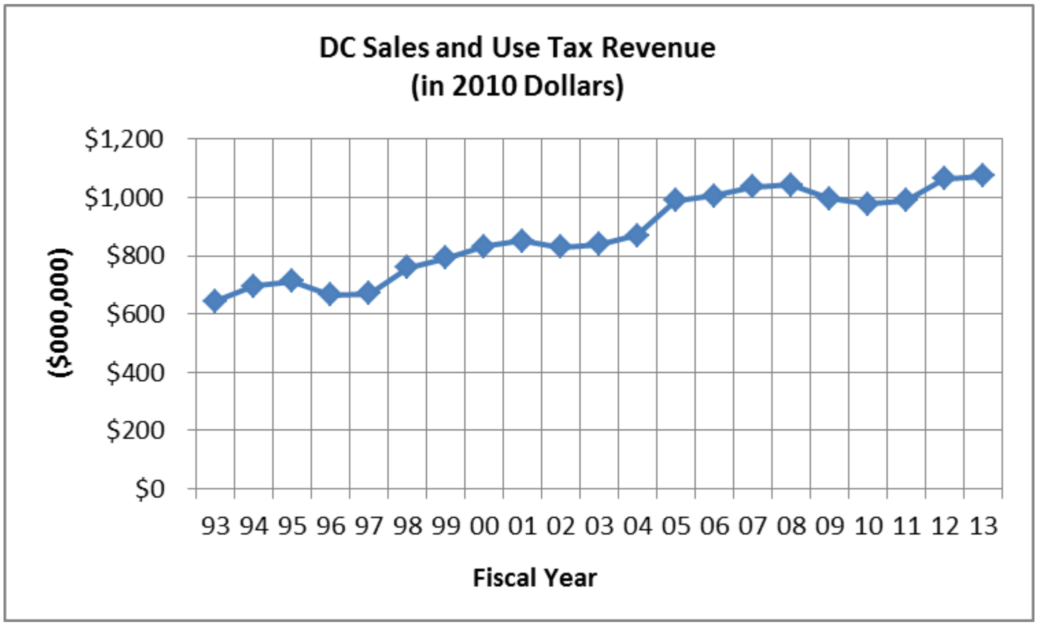
PRESENT RATES: (January 1, 2014)
A six-tier rate structure is presently in effect:

- 5.75% Retail rate for sales of certain tangible personal property and selected services, non-alcoholic soft drinks, food, or drinks sold in vending machines
- 6.0% Medical marijuana
- 10.0% Restaurant meals, liquor sold for consumption on and off the premises, rental vehicles, prepaid telephone cards, tickets sold for baseball games, merchandise sold at the baseball stadium, tickets sold for events at the Verizon Center and merchandise sold at the Verizon Center
- 12.0% Tobacco products, other than cigarettes, premium cigars, or pipe tobacco (through Sept. 30, 2014)
- 14.5% Hotels (transient accommodations)
- 18.0% Parking of motor vehicles in commercial lots

Note: The following portions of the sales tax go to the Convention Center Fund: 1% from restaurant meals and 4.45% from transient accommodations. The 18% parking tax in commercial lots tax is dedicated to WMATA . The 6% tax on medical marijuana is dedicated to the Healthy DC and Health Care Expansion Fund.

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$1,137,892,000	$ 913,640,000
2014 (Estimate)	$1,189,618,000	$ 966,816,000
2015 (Estimate)	$1,237,076,000	$1,005,412,000
	Transfers to:	
Fiscal Year	**Convention Center**	**Tax Increment Financing (TIF)**
2013	$104,108,000	$37,506,000
2014 (Estimate)	$107,752,000	$34,950,000
2015 (Estimate)	$111,719,000	$38,211,000
Fiscal Year	**Ballpark Fund**	**Healthy DC Fund**
2013	$15,408,000	$0
2014 (Estimate)	$13,000,000	$106,000
2015 (Estimate)	$13,398,000	$214,000
Fiscal Year	**WMATA Transfer**	**Healthy Schools**
2013	$62,268,000	$4,502,000
2014 (Estimate)	$62,268,000	$4,266,000
2015 (Estimate)	$62,686,000	$4,266,000
Fiscal Year	**ABRA**	
2013	$460,000	
2014 (Estimate)	$460,000	
2015 (Estimate)	$1,170,000	



YEAR	DC SALES & USE TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$ 643.9	16.0%
1994	$ 696.1	18.6%
1995	$ 713.4	20.3%
1996	$ 664.5	19.2%
1997	$ 669.2	19.1%
1998	$ 758.8	19.8%
1999	$ 791.6	20.6%
2000	$ 832.6	20.5%
2001	$ 849.9	20.4%
2002	$ 830.7	20.6%
2003	$ 839.1	20.4%
2004	$ 870.2	19.3%
2005	$ 988.8	20.3%
2006	$1,005.8	20.1%
2007	$1,036.3	18.6%
2008	$1,043.2	19.1%
2009	$ 997.1	19.3%
2010	$ 976.7	19.5%
2011	$ 989.8	19.1%
2012	$1,063.5	19.0%
2013	$1,073.5	18.7%

TOLL TELECOMMUNICATIONS TAX

GENERAL LIABILITY:

The tax is imposed on telecommunication companies, including wireless telecommunications providers, for the privilege of providing toll telecommunication service in the District. The service charge is on any sound, vision or speech communication for which there is a toll charge that varies in amount with the distance or elapsed transmission time of each individual communication or the transmission or reception of any sound, vision or speech communication that entitles a person upon the payment of a periodic charge that is determined as a flat amount or upon the basis of a total elapsed transmission time, to an unlimited number of communications to or from all or a substantial portion of persons who have telephone or radio telephone stations in a specified area outside the local telephone system area in which the station that provides the service is located.

The items clearly omitted from this tax are anything to do with equipment sales, rental, maintenance, repair or charges.

D.C. Code Citation: Title 47, Chapter 39.

PRESENT RATE: (January 1, 2013)

10% of gross charges – residential
11% of gross charges – non-residential

Note: Non-residential rates are 1% greater than the residential rates. The incremental revenue from the non-residential rate is dedicated to the Ballpark Revenue Fund.

REVENUE:

Fiscal Year	Gross Revenues	Net Revenues
2013	$56,761,000	$54,528,000
2014 (Estimate)	$59,295,000	$57,017,000
2015 (Estimate)	$60,132,000	$57,822,000

Transfer to Ballpark Fund:

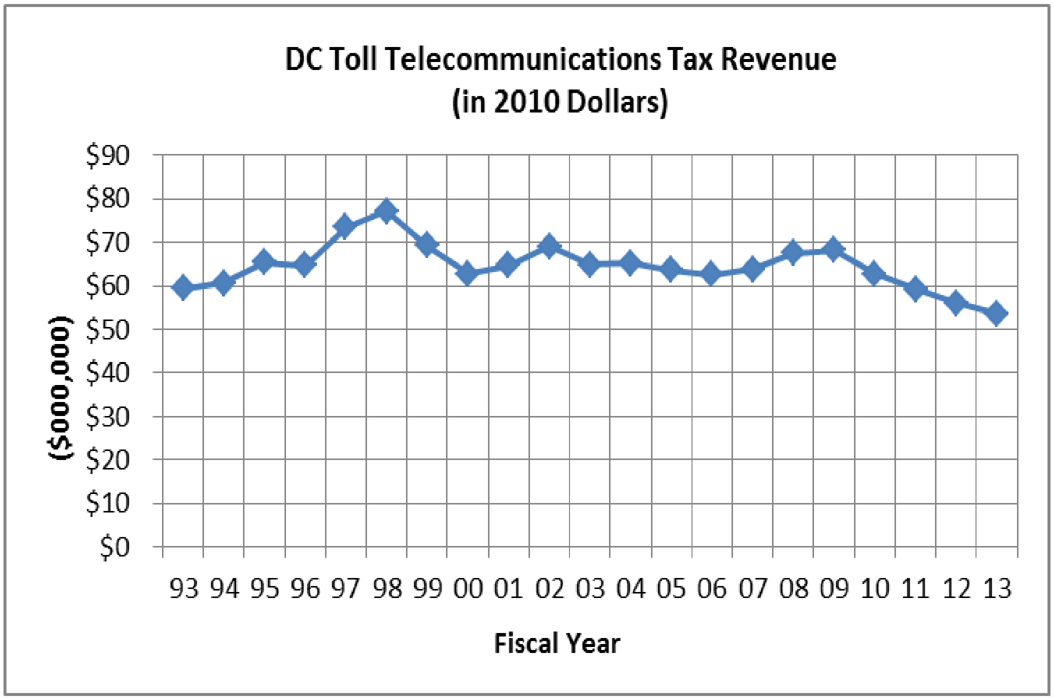
Fiscal Year	Transfer Amount
2013	$ 2,233,000
2014 (Estimate)	$ 2,278,000
2015 (Estimate)	$ 2,310,000

Metropolitan Area:

TOLL TELECOMMUNICATIONS TAX RATES

District of Columbia	Maryland[1]	Virginia [2]
10.0% Residential	2.0%	5%
11.0% Non-residential	2.0%	5%

[1]*Maryland's tax is a public service company franchise tax on gross receipts.*
[2] *Virginia's tax is a communications sales tax, which is listed on consumers' bills.*



YEAR	DC TOLL TELECOMMUNICATIONS TAX REVENUE ADJUSTED FOR INFLATION (IN 2010 DOLLARS) ($000,000)	PERCENT OF TOTAL TAX COLLECTED
1993	$59.4	1.5%
1994	$60.7	1.6%
1995	$65.4	1.9%
1996	$64.6	1.9%
1997	$73.5	2.1%
1998	$77.3	2.0%
1999	$69.3	1.8%
2000	$62.8	1.5%
2001	$64.7	1.6%
2002	$69.0	1.7%
2003	$64.8	1.6%
2004	$65.2	1.4%
2005	$63.7	1.3%
2006	$62.6	1.3%
2007	$63.8	1.1%
2008	$67.6	1.2%
2009	$68.2	1.3%
2010	$62.8	1.3%
2011	$59.3	1.1%
2012	$56.1	1.0%
2013	$53.6	0.9%

BASEBALL GROSS RECEIPTS TAX
(Transferred to Ballpark Revenue Fund)

GENERAL LIABILITY:

The Ballpark Omnibus Financing and Revenue Act of 2004 requires that a Ballpark Fee must be paid by certain businesses on June 15th of every District fiscal year until the bonds issued to build the ballpark are re-paid. To determine if a business is subject to the Ballpark Fee, that business must compute its annual District gross receipts for the most recent taxable year ending before June 15th.

The persons subject to the Ballpark Fee are persons that have income of $5,000,000 or more in annual District gross receipts and either are subject to filing franchise tax returns (whether Corporate or Unincorporated) or are employers required to make unemployment insurance contributions.

An entity granted an exemption from the DC Franchise Tax pursuant to DC Code § 47-1802.01, is not subject to the Ballpark Fee, unless it has unrelated business taxable income. A tax exempt entity with unrelated business taxable income must pay the Ballpark Fee if $5,000,000 or more of its annual DC Gross Receipts are attributable to any unrelated business taxable income for its most recent calendar or fiscal year.

D.C. Code Citation: Title 47, Chapter 27B

PRESENT RATE: (January 1, 2014)

BALLPARK FEE SCHEDULE

DC Gross Receipts	Ballpark Fee
Less than $ 5,000,000	$0
$ 5,000,000 to $ 8,000,000	$5,500
$ 8,000,001 to $12,000,000	$10,800
$12,000,001 to $16,000,000	$14,000
$16,000,001 and greater	$16,500

REVENUE:

Fiscal Year	Revenue
2013	$29,234,000
2014 (Estimate)	$25,251,000
2015 (Estimate)	$26,059,000

HEALTHCARE PROVIDER TAX
(Transferred to Nursing Facility Quality of Care Fund)

The Healthcare Provider Tax imposes a 6% tax on the District's nursing homes (tax is per annum of net resident revenue). All of the funds raised are designated to go to the Nursing Facility Quality of Care Fund.

D.C. Code Citation: Title 47, Chapter 12C

Fiscal Year	Revenue
2013	$15,117,000
2014 (Estimate)	$14,114,000
2015 (Estimate)	$15,117,000

HOSPITAL BED TAX *(Transferred to Hospital Fund)*
The Hospital Bed Tax is an assessment of $3,788 per licensed bed on hospitals operating in the District. Revenues from the assessment are dedicated to the Hospital Fund, a non-lapsing fund that is used to fund Medicaid services. This tax sunsets after 2014.

D.C. Code Citation: Title 44, Chapter 6A

Fiscal Year	Revenue
2013	$15,156,000
2014 (Estimate)	$27,915,000
2015 (Estimate)	-

ICF-IDD ASSESSMENT *(Transferred to Stevie Sellows Quality Improvement Fund)*
Each intermediate care facility for individuals with intellectual or developmental disabilities (ICF-IDD) in DC must pay an assessment of 5.5% of gross revenue in quarterly installments. All assessments shall be transferred to the Stevie Sellows Quality Improvement Fund. The fund was established to fund quality of care improvements at ICF-IDDs.

D.C. Code Citation: Title 47, Chapter 12D

Fiscal Year	Revenue
2013	$2,622,000
2014 (Estimate)	$5,202,000
2015 (Estimate)	$5,519,000

HMSC CONTRIBUTION *(Transferred to Healthy DC)*
The hospital and medical services corporation (HMSC) is allowed to make a $5,000,000 annual payment in lieu of community reinvestment, all of which is transferred to the Healthy DC and Health Care Expansion Fund to be used for subsidies that expand health insurance for low-income District residents and other health promotion programs. The total agreement is for $25 million; the final $5 million contribution is in FY 2014.

D.C. Code Citation: Title 31, Chapter 35

Fiscal Year	Revenue
2013	$5,000,000
2014 (Estimate)	$5,000,000
2015 (Estimate)	-

NON-TAX REVENUE AND LOTTERY

NON-TAX REVENUE

GENERAL LIABILITY:

Local non-tax revenue includes licenses and permits, fines and forfeiture, charges for services, interest income, unclaimed property, payment in lieu of taxes, and other miscellaneous revenue sources.

REVENUE:

Fiscal Year	Revenues
2013	$466,050,000
2014 (Estimate)	$396,708,000
2015 (Estimate)	$453,117,000

LOTTERY

GENERAL LIABILITY:

Every year, the District of Columbia Lottery and Charitable Games Control Board transfers the net proceeds of receipts from lottery gaming to the General Fund. The proceeds are equal to gross receipts net of payouts and administrative costs. The transfer is based primarily on ticket sales and prize payout. Games included as part of the DC Lottery are DC 3, DC 4, DC 5, Race2Riches, DC Fast Play, Powerball, Mega Millions, Hot Lotto, DC Scratchers, DC Keno, and Tap-N-Play.

REVENUE:

Fiscal Year	Revenues
2013	$68,314,000
2014 (Estimate)	$60,181,000
2015 (Estimate)	$66,000,000

SPECIAL PURPOSE NON-TAX REVENUE

GENERAL LIABILITY:

Special purpose non-tax revenues, often times referred to as “Other” or “O-Type” revenues, are funds generated from fees, fines, assessments or reimbursements that are dedicated to the District agency that collects the revenues to cover the cost of performing the function. The “dedication” of the revenue to the collecting agency is what distinguishes this revenue from the general-purpose non-tax revenues. The legislation that creates the fee, fine or assessment must stipulate its purpose-designation and must also state whether any unspent funds are to retain designation at the conclusion of the fiscal year or revert to general-purpose funds. Unspent revenue in certain funds cannot revert to general purpose funds.

REVENUE:

Fiscal Year	Revenues
2013	$469,143,000
2014 (Estimate)	$499,539,000
2015 (Estimate)	$548,040,000

PART III -- SELECTED D.C. TAX STATISTICS

TABLE 3
D.C. TAX REVENUES
Budgetary Basis
(In Thousands of Nominal Dollars)

FISCAL YEAR	TOTAL COLLECTIONS	INCOME TAXES /1	PROPERTY TAXES /2	EXCISE AND SALES AND USE TAXES /3	GROSS RECEIPTS TAXES /4	OTHER TAXES /5
1993	2,557,852	730,519	1,011,663	504,735 a	229,593 a	81,342
1994	2,470,053	800,868	811,009	557,474 a	243,199 b	57,503
1995	2,391,041	804,355	730,343	584,107 a	210,912 c	61,324
1996	2,434,196	843,553	701,635	562,066 a	234,957 a	91,985
1997	2,522,304	936,980	687,599	573,105 a	229,242 a	95,378
1998	2,807,659	1,083,102	695,440	652,598 a	236,637 a	139,882
1999	2,879,765	1,169,751	679,550	675,841 a	207,290	147,333
2000	3,116,477	1,338,564	692,781	731,511	212,011	141,610
2001	3,293,608	1,400,237	707,423	761,474 a	233,740	190,734
2002	3,228,804	1,160,424	803,389	750,059	231,786	283,146
2003	3,384,087	1,167,452	901,888	780,207	261,348	273,192
2004	3,804,572	1,299,009	1,027,976	826,169	271,897	379,521
2005	4,249,024	1,472,432	1,148,333	956,767	294,665 d	376,827
2006	4,516,332	1,591,483	1,241,515	1,004,470	288,322 e	390,542
2007	5,154,830	1,736,361	1,548,331	1,056,780	315,160 e	498,198
2008	5,324,683	1,755,894	1,760,356	1,107,631	310,680 e	390,122
2009	5,052,140	1,478,068	1,924,468	1,072,353	315,341 e	261,910
2010	5,005,153	1,434,131	1,907,755	1,075,730	322,578 f	264,959
2011	5,325,261	1,656,282	1,800,745	1,127,502	342,316 g	398,416
2012	5,861,807	1,956,590	1,910,254	1,218,577	360,874 g	415,512
2013	6,100,486	2,094,179	2,003,088	1,246,803	343,891 g	412,525

/1 Income Taxes: Includes Individual Income, Corporation Franchise, and Unincorporated Business Franchise taxes.

/2 Property Taxes: Includes Real Property, Personal Property, and Public Space Rental taxes.

/3 Excise and Sales and Use Taxes: Includes General Sales and Use Taxes; Alcoholic Beverage, Cigarette, and Motor Vehicle Excise taxes; and Motor Vehicle Fuel tax.
- a/ Also includes Hotel Occupancy tax.

/4 Gross Receipts Taxes: Includes Public Utility, Toll Telecommunications, and Insurance Premiums taxes.
- a/ Also includes Health Care Provider tax.
- b/ Also includes Health Care Provider tax and Public Safety fee.
- c/ Also includes Health Care Provider tax and Arena fee.
- d/ Also includes Baseball Gross Receipts tax.
- e/ Also includes Baseball Gross Receipts tax and Healthcare Provider tax.
- f/ Also includes Baseball Gross Receipts tax, Healthcare Provider tax, and Hospital and Medical Services Corporation (HMSC) contribution.
- g/ Also includes Baseball Gross Receipts tax, Healthcare Provider tax, HMSC contribution, Hospital Bed tax, and Intermediate Care Facility for Individuals with Intellectual or Developmental Disabilities (ICF-IDD) assessment.

/5 Other Taxes: Includes Estate, Deed Recordation, Deed Transfer, and Economic Interest taxes.

Source: *Government of the District of Columbia Comprehensive Annual Financial Report* (various years).

TABLE 4
2012 D.C. INCOME TAX DISTRIBUTION

ADJUSTED GROSS INCOME CLASS	NO. OF RETURNS	PERCENT 1/	ADJUSTED GROSS INCOME AMOUNT	PERCENT 1/	NET TAXABLE INCOME AMOUNT	PERCENT 1/
ITEMIZED DEDUCTIONS						
Less than $0	1,940	1.4%	0	0.0%	0	0.0%
$0-$9,999	2,827	2.1%	14,447,645	0.1%	-20,181,942	-0.1%
$10,000-$19,999	5,449	4.0%	84,696,696	0.4%	10,757,935	0.1%
$20,000-$29,999	8,290	6.1%	209,380,754	1.0%	85,340,469	0.5%
$30,000-$39,999	9,766	7.2%	342,526,809	1.7%	180,449,758	1.0%
$40,000-$49,999	9,506	7.0%	426,979,845	2.1%	262,653,412	1.5%
$50,000 & Over	97,915	72.2%	19,360,838,341	94.7%	16,925,420,869	97.0%
TOTAL	**135,693**	**100.0%**	**20,438,870,090**	**100.0%**	**17,444,440,501**	**100.0%**
STANDARD DEDUCTIONS						
Less than $0	5,748	2.8%	0	0.0%	0	0.0%
$0-$9,999	39,244	19.4%	216,980,836	3.4%	-8,259,553	-0.2%
$10,000-$19,999	44,489	22.0%	660,141,642	10.5%	341,169,515	6.8%
$20,000-$29,999	31,857	15.7%	788,371,482	12.5%	561,424,136	11.2%
$30,000-$39,999	24,410	12.1%	849,651,041	13.5%	681,011,671	13.6%
$40,000-$49,999	19,320	9.5%	864,372,529	13.7%	738,704,574	14.8%
$50,000 & Over	37,356	18.5%	2,922,596,504	46.4%	2,681,349,332	53.7%
TOTAL	**202,424**	**100.0%**	**6,302,114,034**	**100.0%**	**4,995,399,675**	**100.0%**

1/ Detail may not add to total due to rounding.

TABLE 5
DISTRICT OF COLUMBIA REAL PROPERTY ASSESSMENTS - TAXABLE, EXEMPT AND TOTALS
TAX YEAR 2013

Type of Property	Total Acres	Land Value	Improvements	Total Value	Gross Tax Liability 1/	% of All Properties		Number of Properties
						Land Acres	Total Value	
Total Taxable	12,929	$66,035,905,543	$90,572,212,706	$156,608,118,249	$2,019,903,264	43.8	64.6	184,712
Class One	10,603	36,568,259,209	51,102,773,572	87,671,032,781	745,203,779	35.9	36.2	174,783
Residential/Single Family	8,775	29,959,153,737	39,089,672,133	69,048,825,870	586,915,020	29.7	28.5	159,650
Homestead	6,138	21,110,705,147	27,201,745,873	48,312,451,020	410,655,834	20.8	19.9	94,974
Non-seniors	4,857	17,686,631,037	23,990,422,643	41,677,053,680	354,254,956	16.4	17.2	76,810
Seniors	1,281	3,424,074,110	3,211,323,230	6,635,397,340	56,400,877	4.3	2.7	18,164
Non-Homestead	2,637	8,848,448,590	11,887,926,260	20,736,374,850	176,259,186	8.9	8.6	64,676
Residential/ Multifamily	1,828	6,609,105,472	12,013,101,439	18,622,206,911	158,288,759	6.2	7.7	15,133
Class Two	2,237	29,242,941,772	39,302,146,856	68,545,088,628	1,247,984,098	7.6	28.3	8,820
Large Office Buildings	389	17,841,042,029	30,341,935,332	48,182,977,361	887,836,610	1.3	19.9	609
Hotels/Motels	96	2,422,548,005	3,085,129,515	5,507,677,520	101,110,762	0.3	2.3	143
Other Commercial	1,751	8,979,351,738	5,875,082,009	14,854,433,747	259,036,726	5.9	6.1	8,068
Class Three	56	141,340,542	108,345,400	249,685,942	12,484,297	0.2	0.1	777
Class Four	33	83,364,020	58,946,878	142,310,898	14,231,090	0.1	0.1	332
Total Exempt	16,603	54,346,186,595	31,493,984,277	85,840,170,872	1,511,497,005	56.2	35.4	14,411
Total US/DC Government	12,667	41,200,161,097	16,574,577,679	57,774,738,776	1,047,492,762	42.9	23.8	5,651
United States	10,510	34,487,224,439	11,235,590,851	45,722,815,290	837,804,925	35.6	18.9	2,790
District of Columbia	2,157	6,712,936,658	5,338,986,828	12,051,923,486	209,687,837	7.3	5.0	2,861
Total Non-US/DC Exempt	3,936	13,146,025,498	14,919,406,598	28,065,432,096	464,004,243	13.3	11.6	8,760
Low-Income	100	236,440,070	285,475,480	521,915,550	4,454,566	0.3	0.2	2,393
Religious	586	1,820,387,275	1,699,391,817	3,519,779,092	60,475,212	2.0	1.5	1,159
Educational	766	2,790,429,374	2,990,226,030	5,780,655,404	103,935,405	2.6	2.4	462
Charitable	161	470,815,850	546,120,120	1,016,935,970	14,497,711	0.5	0.4	469
Hospitals	94	193,313,850	530,147,440	723,461,290	13,319,516	0.3	0.3	11
Libraries	1	13,375,960	10,226,680	23,602,640	430,649	0.0	0.0	1
Foreign Governments	295	1,178,361,240	1,756,912,030	2,935,273,270	43,715,714	1.0	1.2	610
Cemeteries	321	296,156,800	18,247,720	314,404,520	5,717,028	1.1	0.1	22
Miscellaneous	473	3,181,433,941	4,541,813,109	7,723,247,050	118,488,366	1.6	3.2	2,786
WMATA	199	430,758,528	105,768,900	536,527,428	9,385,488	0.7	0.2	402
Partially Exempt	939	2,534,552,610	2,435,077,272	4,969,629,882	89,584,589	3.2	2.0	445
Total Taxable & Exempt 2/ 3/	29,533	120,382,092,138	122,066,196,983	242,448,289,121	3,531,400,269	100.0	100.0	199,123

1/ Gross tax revenue does not include eligible tax abatements, credits, exemptions, real property account adjustments or refunds.
2/ Detail may not add to total due to rounding.
3/ The data in this table represent approximately 46 square miles of land area. The District of Columbia has a total of approximately 69 square miles of total land area including 7 square miles of water area and 16 miles of highways, streets, roads, and alleys.

PART IV -- HISTORY OF MAJOR CHANGES IN D.C. TAX STRUCTURE, FY 1970 TO FY 2014

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
ALCOHOLIC BEVERAGES:				
Beer				
	1970	1970	Rate increased 25¢/barrel to $2.25/barrel	+$ 150,000
	1989	1989	Rate increased 54¢/barrel to $2.79/barrel	+$ 250,000
Sparkling Wine				
	1989	1989	Rate decreased 5¢/gal to 40¢/gal	-$ 25,000
	1990	1990	Rate increased 5¢/gal to 45¢/gal	+$ 20,000
Spirits				
	1970	1970	Rate increased 25¢/gal to $2.00/gal	+$ 1,500,000
	1978	1978	Rate decreased 50¢/gal to $1.50/gal	-$ 1,800,000
Wine (14% or Less Alcohol)				
	1989	1989	Rate increased 25¢/gal to 40¢/gal	+$ 750,000
	1990	1990	Rate decreased 10¢/gal to 30¢/gal	-$ 300,000
(More than 14% Alcohol)				
	1989	1989	Rate increased 7¢/gal to 40¢/gal	+$ 25,000
CIGARETTES				
		1970	Rate increased from 3¢/pk to 4¢/pk	+$ 1,050,000
	1973	1973	Rate increased from 4¢/pk to 6¢/pk	+$ 1,800,000
	1976	1976	Rate increased from 6¢/pk to 10¢/pk	+$ 2,600,000
	1977	1977	Rate increased from 10¢/pk to 13¢/pk	+$ 2,400,000
	1987	1987	Rate increased from 13¢/pk to 17¢/pk (April 1987)	+$ 1,200,000
	1991	1992	Rate increased from 17¢/pk to 30¢/pk (April 1991)	+$ 5,200,000
	1992	1992	Rate increased from 30¢/pk to 50¢/pk (April 1992)	+$ 4,500,000
	1993	1993	Rate increased from 50¢/pk to 65¢/pk (July 1993)	+$ 4,500,000
	2002	2003	Rate increased from 65¢/pk to $1.00/pk (January 2003)	+$ 5,800,000
	2008	2009	Rate increased from $1.00/pk to $2.00/pk (October 2008)	+$ 12,530,000
	2009	2010	Rate increased from $2.00/pk to $2.50/pk (October 2009)	+$ 10,215,000
	2012	2012	Rate increased from $2.50 to $2.86/pk (October 2011)	+$ 1,080,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
DEED RECORDATION AND TRANSFER				
Recordation				
	1976	1976	Rate increased from 0.5% to 1.0% of consideration.	+$ 1,200,000
	1978	1978	An excise tax is imposed on the transferrers of residential real property containing 4 or fewer dwelling units at rates ranging from 3% to 97% of gain.	---
	1978	1978	Excise tax on transferrers of residential real property expired.	---
	1980	1980	Tax base expanded to include construction loan deeds of trust on mortgages, permanent loan deeds of trust on mortgages and purchase mortgages.	+$ 1,000,000
	1989	1989	Rate increased from 1.0% to 1.1% of consideration.	+$ 4,000,000
	1989	1990	Established recordation tax on transfers of economic interests at the rate of 2.2%.	+$ 5,500,000
	1994	1994	Expand recordation tax base to security interest (June 1994).	+$ 1,800,000
	2002	2003	Rate increased from 1.1% to 1.5% 7/	+$ 16,722,000
	2002	2003	15% of the District's real estate recordation taxes will be deposited in the Housing Production Trust Fund to provide financial assistance for housing available to low and moderate-income families and individuals.	-$ 2,529,000
	2004	2005	Rate decreased from 1.5% to 1.1%.	-$ 53,862,000
	2006	2007	Rate increased from 1.1% to 1.45% 11/	+$ 43,472,000
	2006	2007	40% of the revenue generated by increasing the deed recordation tax to 1.45% will be deposited in the Comprehensive Housing Strategy Fund to provide housing assistance to low- and moderate-income households.	$ ---
	2008	2009	The dedication of revenue to the Comprehensive Housing Strategy Fund was repealed.	$ ---

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
DEED RECORDATION AND TRANSFER-continued**:**				
Transfer				
	1980	1980	A transfer tax is imposed on each transfer of real property at the rate of 1.0% of the consideration paid.	+$ 12,000,000
	1989	1989	Rate increased from 1.0% to 1.1% of consideration.	+$ 3,300,000
	2000	2000	Clarifies that the transfer tax will be based on the sales price of real property.	---
	2002	2003	Rate increased from 1.1% to 1.5%. 7/	+$ 11,072,000
	2002	2003	15% of the District's real estate transfer taxes will be deposited in the Housing Production Trust Fund to provide financial assistance for housing available to low and moderate-income families and individuals.	-$ 2,471,000
	2004	2005	Rate decreased from 1.5% to 1.1%.	-$ 35,663,000
	2006	2007	Rate increased from 1.1% to 1.45% 11/	+$ 26,643,000
	2006	2007	40% of the difference between the 1.1% and the 1.45% increase in the District's real estate transfer taxes will be deposited in the Comp. Housing Strategy Fund to provide financial assistance for housing available to low and moderate-income families and individuals.	-$ 9,558,000
ECONOMIC INTEREST				
	1989	1990	A recordation tax of 2.2% is imposed on transfers of economic interest occurring on or after October 1, 1989	+$ 1,525,000
	2008	2009	Rate increased from 2.2% to 2.9%	+$ 8,000,000
FINANCIAL INSTITUTIONS				
Banks and Building Association Gross Earnings				
	1976	1976	Rate on banks increased from 4% to 6%; rate on building associations increased from 2% to 3%.	+$ 5,600,000
	1977	1977	Rate on building associations decreased from 3% to 2%.	-$ 2,500,000
	1980	1981	Financial institutions added to corporation franchise base/gross earning tax phased out. 2/	+$ 3,569,000
HEALTH EXCHANGE ASSESSMENT:				
	2014	2015	Assess health insurance carriers at a rate just under 1 percent to cover FY 2015 operating expenses.	+$ 28,751,244

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
INCOME TAXES:				
Individual Income: 3/				
	1970	1970	New rates and brackets: From % 2 3 4 5 6 $000 1 2 2 5 over 10 To % 2 3 4 5 6 7 8 9 10 $000 1 1 1 2 3 4 5 8 over 25	
	1975	1976	Income tax credit for excess property taxes paid by low income persons.	
	1976	1976	Personal exemptions and child care deduction conformed to federal law.	+$ 1,500,000
			New rates and brackets % 2 3 4 5 6 7 8 9 10 11 $000 1 1 1 1 1 5 3 4 8 over 25	+$ 14,900,000
	1977	1977	Income tax credit for excess property taxes paid: a) Over 62, blind, disabled-income limit $20,000-credit limit $750 b) Under 62-income limit $7,000-credit limit $320.	-$ 3,917,000
	1978	1978	Income tax credit for excess property taxes paid: a) Over 62, blind, disabled-income limit $20,000-credit limit $750 b) Under 62-income limit $10,000-credit limit $400.	-$ 2,309,000
	1978	1979	Income tax credit for excess property taxes raised to $750 and income cap raised to $20,000 for claimants under age 62 who are not blind or disabled.	-$ 1,000,000
	1980	1980	Installment dates for payments and declarations of estimated tax changed from July 15th to June 15th and from October 15th to September 15th.	+$ 2,500,000
	1982	1982	Conformity to federal income tax law with certain modifications.	-$ 6,200,000
	1982	1983	Conformity to federal law on medical and dental expenses, and casualty losses.	+$ 3,015,000
	1987	1987	Require seizure of individual income tax refunds of the University of the District of Columbia adjudicated student loan defaulters.	---

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

FISCAL YEAR OF ENACTMENT	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/ (MILLIONS OF DOLLARS)								
		FY 87	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
INCOME TAXES-continued:										
Individual Income-continued:										
1987	1987 new rates and brackets % 6 8 10 $000 10 10 over 20 for CY 1987 % 6 8 9.5 for CY 1988 $000 10 10 over 20 and subsequent years	2.9	17.7	19.9	23.0	26.0				
1987	Increased personal exemption to $885 for 1987; $1,025 for 1988; $1,160 for 1989; $1,270 for 1990; and $1,370 for 1991 and subsequent calendar years	-7.6	-11.9	-17.7	-22.5	-26.8				
1987	Increased standard deduction from $1,000 to $2,000.	-10.0	-10.0	-10.0	-10.0	-10.0				
1987	Retain $3,000 exclusion for certain retirees.	-5.0	-5.0	-5.0	-5.0	-5.0				
1987	Established low-income credit.	-2.0	-1.0	-1.0	-1.0	-1.0				
1989	Repealed Political Contribution Credit	---	---	0.2	1.0	1.0	1.0	1.0	1.0	1.0
	Required same deduction method used when filing federal return.	---	---	1.5	3.0	3.0	3.0	3.0	3.0	3.0
	Begin taxation of lottery winnings.	---	---	0.5	1.0	1.0	1.0	1.0	1.0	1.0

		FY 00	FY 01	FY 02	FY 03	FY 04
1999	Tax Parity Act of 1999 (estimates assume full enactment)	21.2	56.2	77.2	99.9	148.7
	REDUCED TAX RATES AS FOLLOWS:					
	Lowest Rate: $0 - $10,000 (currently 6.0%)	5.0%	5.0%	5.0%	4.5%	4.0%
	Middle Rate: $10,001 - $20,000 (currently 8.0%)	7.5% $10-$30K	7.5% $10-$30K	7.0% $10-$40K	7.0% $10-$40K	6.0% $10-$40K
	Top Rate 4/: Over $20,000 (currently 9.5%)	9.5%	9.3%	9.0%	8.7%	8.5%
	Top Bracket	$20K	$30K	$30K	$40K	$40K

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
INCOME TAXES-Individual Income continued:				
		2003	Tax Parity Act of 1999 Suspended	---
	2002	2003	Earned Income Tax Credit: Tax Year 2001 – 10% of federal credit Tax Year 2002 – 25% of federal credit	-$ 18,711,000
	2004	2005	Top rate decrease from 9.3% to 9.0%	-$ 24,000,000
	2005	2005	Long-term care insurance premiums paid after 04/11/05, total deduction amount limited to $500.	-$ 146,475
	2006	2006	Lowest, middle and top rates decrease from 5.0% to 4.5%, 7.5% to 7.0%, and 9.0% to 8.7%, respectively. The middle rate range increased from $30,000 to $40,000 and the top rate will begin at $40,001.	-$ 53,000,000
	2006	2006	Expansion of EITC to non-custodial parents	-$ 3,000,000
	2006	2006	Raise standard deduction from $2,000 to $2,500 and personal exemptions from $1,370 to $1,500 and conform with IRS extension of time to file return from August to October.	-$ 6,900,000
	2006	2006	Increase EITC match from 25% to 35% of federal credit	-$ 7,100,000
	2006	2007	Lowest, middle and top rates decrease from 4.5% to 4.0%, 7.0% to 6.0%, and 8.7% to 8.5%, respectively	-$ 64,000,000
	2007	2008	Raise standard deduction from $2,500 to $4,000 and personal exemptions from $1,500 to $1,675.	-$ 17,084,000
	2007	2008	Expansion of first-time homebuyer credit to all DC Government employees.	-$ 700,000
	2007	2008	Domestic partners may file either a joint return or file separately on the DC Individual tax return.	---
	2009	2009	Increase EITC match from 35% to 40% of federal credit	-$ 1,870,000
	2009	2010	Delay implementation of standard deduction indexing through FY2013.	+$ 2,900,000
	2009	2010	Delay implementation of personal exemption indexing through FY2013.	+$ 2,300,000
	2011	2012	Added a new bracket at 8.95% for DC Adjusted Gross Income in excess of $350,000.	+$ 17,300,000
	2011	2012	Exempt outstanding out of state bonds purchased before January 1, 2012.	-$ 13,400,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
INCOME TAXES-Individual Income continued:				
	2012	2012	Itemized deductions limited – filers with DC AGI over $200,000 ($100,000 for married filing separately) would be required to reduce itemized deductions by 5%. Deductions relating to medical and dental expenses, investment interest deductions, and casualty or theft losses are excluded.	+$ 16,720,000
	2012	2014	Change eligibility requirements and calculation methodology for the Schedule H credit by: increasing maximum credit to $1,000; allowing annual cost of living adjustments; increasing the property tax equivalent of rent to 20% of annual rent paid; basing calculation of credit on FAGI of a tax filing unit; allowing one Sch. H filer per year for each tax filing unit, no matter how many share same household; increasing household income, simplifying credit calculation; and eliminating alternative brackets for the elderly, blind, and disabled.	-$ 10,937,383
	2013	2013	Raise standard deduction married filing joint filers from $4,000 to $4,100 and married filing separate filers from $2,000 to $2,050.	-$ 17,084,000
	2014	2015	Reduce marginal tax rate on income between $40,000 and $60,000 from 8.5% to 7.0%.	-$ 37,518,000
	2014	2015	Expand Schedule H Credit for Seniors aged 70+	-$ 2,023,000
	2014	2015*	Keep marginal tax rate on incomes above $350,000 at the current statutory rate of 8.95%.	+$ 18,773,000**
	2014	2015*	Expand Earned Income Tax Credit for childless workers.	-$ 10,834,000**
	2014	2015*	Raise the standard deduction to $5,200 for singles, $8,350 for married and $6,500 for Head of Household.	-$ 15,618,000**
	2014	2015*	Phase Out Personal Exemptions starting at income of $150,000.	+$ 4,718,000**

*Effective Tax Year 2015
**FY2016 Revenue impact.

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
INCOME TAXES-continued:				
Corporation and Unincorporated				
	1970	1970	$25 minimum tax and quarterly declaration payment requirements.	+$ 2,500,000
	1972	1972	Rate increased to 7%.	+$ 3,000,000
	1974	1974	Rate increased to 8%.	+$ 3,000,000
	1976	1976	Professionals added to unincorporated business franchise tax base at 12% rate with new exemption and salary allowance amounts (gross amount before individual income tax impact).	+$ 8,250,000
	1976	1976	Permanent corporate and unincorporated business tax rate increase from 8% to 9%.	+$ 3,675,000
	1976	1976	Temporary increase for calendar year 1975 from 9% to 12%.	+$ 11,025,000
	1976	1976	Require professional corporations to file as unincorporated business.	+$ 1,250,000
	1976	1976	10% surtax imposed; effective rate for fiscal year 1976 returns became 9.9%.	+$ 6,000,000
	1977	1977	Only unincorporated businesses with gross incomes in excess of $12,000 must file a return.	-$ 40,000
	1978	1978	10% surtax continued indefinitely.	+$ 5,600,000
	1980	1980	Installment dates for payments and declarations of estimated tax changed from July 15th to June 15th and from October 15th to September 15th.	+$ 2,500,000
	1980	1980	Professionals deleted from unincorporated business franchise tax base.	-$ 10,410,000
	1980	1981	Financial institutions added to corporation franchise tax base.	+$ 3,569,000
	1983	1983	Minimum tax increased from $25 to $100.	+$ 800,000
	1984	1985	Rate increased from 9% to 10%, surtax decreased from 10% to 5% for an effective rate of 10.5%.	+$ 7,000,000
	1986	1986	Nondeductible expenses incurred to produce, treated as exempt income.	+$ ---
	1987	1987	**FY 87 FY 88 FY 89 FY 90 FY 91 FY 92** Surtax decreased from 5% to 2.5% 0 -4.4 -4.8 -5.3 -5.8 ---	
	1987	1987	Established net operating loss. -0.5 -5.0 -5.0 -5.0 -5.0 ---	
	1989	1989	Surtax increased from 2.5% to 5%. 0 4.3 4.7 5.1 --- ---	
	1993	1993	Surtax decreased from 5% to 2.5%, effective October 1, 1992.	-$ 2,950,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
INCOME TAXES-continued: Corporation and Unincorporated-continued:				
	1994	1994	Reduce franchise tax rate to 9.5%.	-$ 6,400,000
	1994	1995	Allow a deduction for Subpart F income.	-$ 3,000,000
	1994	1994	Conform to provisions of Omnibus Budget Reconciliation Act of 1993.	+$ 100,000
	1994	1994	Add a 2.5% surtax to finance the Convention Center.	+$ 3,143,000
	1999	1999	Surtax (2.5%) financing the Convention Center shifted to general fund. 5/	+$ 6,200,000
	1999	2000	Eliminate carry back of net operating losses (NOLs) and adjust NOL provisions to reflect single-entity filing.	---
	1999	2003	Reduce 9.975% rate to 9.0%.	-$ 16,700,000
	1999	2004	Reduce 9.0% rate to 8.5% (rate reduction impact is cumulative).	-$ 28,700,000
	2002	2003	Tax Parity Act suspended, rate increased to 9.975%.	+$ 17,500,000
	2002	2003	Decoupling from federal bonus depreciation	+$ 24,000,000
	2008	2008	Reduced taxable income for certain UB taxpayers.	-$ 35,000
	2009	2011	Require combined reporting of income for corporate entities.	+$ 22,600,000
	2011	2011	Change apportionment of business income to double-weight the sales factor.	+$ 7,230,000
	2011	2011	Increase minimum tax to $250 for firms with gross receipts up to $1 million, and $1,000 for firms with gross receipts over $1 million.	+$ 12,000,000
	2014	2015	Use Single Weighted Sales Apportionment Factor.	+$ 20,000,000
	2014	2015	Reduce Business Income Tax Rate from 9.975% to 9.4%.	-$ 20,000,000
	2014	2015	Exempt entities that trade on their own accounts from unincorporated business franchise tax.	-$ 4,400,000
INHERITANCE AND ESTATE				
	1972	1972	Rates increased to a range of 1% - 23%, Class B merged with Class C and exemption lowered.	-$ 2,800,000
	1987	1987	Inheritance Tax abolished for decedents dying on or after April 1, 1987.	-$ 15,000,000
	2002	2002	DC Estate Tax is decoupled from the Federal Estate Tax, and the filing threshold increases from $600,000 to $675,000, on Jan. 1, 2002.	---
	2003	2003	Filing threshold increases from $675,000 to $1,000,000, effective Jan. 1, 2003.	---
	2014	2016	If certain revenue triggers are met, threshold increases from $1 million to $2 million.	---

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
INSURANCE PREMIUMS				
	1977	1977	Payments dates changed. If liability is over $2,000, at least 25% of tax must be paid in each of 3 installments during the year taxable income is received. Remainder is due by March 1st following close of calendar year.	---
	1992	1993	Tax rate increased from 2% to 2.25%, effective October 1, 1992.	+$ 4,000000
	1999	1999	Tax rate decreased from 2.25% to 1.7%, effective January 1, 1999.	-$ 6,000,000
	2006	2006	Cost of any health-care insurance premium, paid by an employer for a non-employee domestic partner registered with the Vital Records Division of DC Department of Health, is excluded from the calculation of the employee domestic partner's District gross income.	---
	2009	2009	Insurance premiums tax on health insurers increased from 1.7% to 2.0%.	+$ 1,983,000
	2009	2009	Insurance premiums tax applied to HMOs for the first time at a rate of 2.0%. 75% of the revenue was dedicated to the Healthy D.C. Fund and the other 25% was allocated to the general fund.	+$ 9,893,000
	2009	2009	Insurance premiums tax on CareFirst increased from 1.7% to 2.0%. All of the revenue is dedicated to Healthy D.C. Fund.	+$ 1,129,000
	2010	2011	Insurance premiums tax rate of 2.0% is now applied to all types of insurance, including life and property insurance. Previously, the 2.0% percent rate had only applied to health insurers and HMOs.	+$ 4,747,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
MOTOR VEHICLES:				
Motor Vehicle Excise:				
	1970	1970	Rate increased from 3% to 4%.	+$ 1,700,000
	1973	1973	Rate increased from 4% to 5%.	+$ 1,900,000
	1976	1976	Rate increased from 5% to 6%.	+$ 1,800,000
			New rates and weight classes instituted 4% 2,799 lbs. or less 5% 2,800 – 3,499 lbs. 6% 3,500 – 3,999 lbs. 7% 4,000 lbs. or over	+$ 550,000
	1983	1983	New rates and weight classes instituted (June 1983). 6% 3,499 or less. 7% 3,500 lbs. or over	+$ 2,000,000
	1990	1990	Exempted taxicabs from motor vehicle excise tax and required new residents to pay excise tax on motor vehicles transferred into the District.	+$ 700,000
	1999	1999	Repeal requirement that new residents pay second excise tax on vehicles transferred into the District. 6/	-$ 12,000,000
	2005	2005	New rates and weight classes instituted (June 2005). 6% 3,499 or less. 7% 3,500 lbs. – 4,999 lbs. 8% 5,000 lbs. or more	+$ 2,000,000
Motor Vehicle Fuel:				
	1972	1972	Rate increased from 1¢/gallon to 8¢/gallon.	+$ 2,400,000
	1976	1976	Rate increased from 8¢/gallon to 10¢/gallon.	+$ 4,825,000
	1980	1980	Rate increased from 10¢/gallon to 11¢/gallon.	+$ 1,512,000
	1980	1981	Rate increased from 11¢/gallon to 13¢/gallon (June 1981).	+$ 3,024,000
	1980	1982	The gasoline excise tax rate becomes indexed to the consumer price index for all urban consumers (CPI-U).	---
	1982	1982	Rate increased from 13¢/gallon to 14¢/gallon after indexing (June 1982).	+$ 1,600,000
	1983	1983	Rate increased from 14¢/gallon to 14.8¢/gallon.	+$ 1,300,000
	1984	1984	Rate increased from 14.8¢/gallon to 15.5¢/gallon.	+$ 1,100,000
	1985	1985	Rate set at 15.5¢/gallon (June 1985), indexing repealed.	-$ 1,700,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
MOTOR VEHICLES- Motor Vehicle Fuel-continued				
	1989	1989	Rate increased from 15.5¢/gallon to 18¢/gallon (June 1989).	+$ 4,000,000
	1992	1993	Rate increased from 18¢/gallon to 20¢/gallon (October 1992).	+$ 3,300,000
	1994	1994	Temporary rate increase (4 months) from 20¢/gallon to 22.5¢/gallon (June 1994).	+$ 1,300,000
	2009	2010	Rate increased from 20¢/gallon to 23.5¢/gallon (October 2009).	+$ 3,500,000
	2013	2014	Replace the 23.5 cent per gallon excise tax on motor fuel with an ad valorem tax of 8.0% of the wholesale price. Proposed floor of $2.94 allows D.C. to collect at least the projected revenue of current motor fuel excise tax.	---
Motor Vehicle Registration:				
	1970	1970	Rate increased: Less than 3,500 lbs. from $22.50 to $30.00 More than 3,499 lbs. from $32.50 to $50.00 Rate on other vehicles increased by ⅓.	+$ 3,300,000
	1976	1976	New rates and weight classes instituted $50 2,800 lbs. or less $57 2,801 – 3,499 lbs. $83 3,500 – 3,999 lbs. $96 4,000 lbs. and over Rates on other vehicles increased by ⅓.	+$ 3,850,000
	1977	1977	New rates instituted $35 2,800 lbs. or less $42 2,801 – 3,499 lbs. $68 3,500 – 3,999 lbs. $76 4,000 lbs. and over	-$ 3,900,000
	1983	1983	New rates and weight classes instituted $45 3,499 lbs. or less $78 3,500 lbs. and over	+$ 1,400,000
	1991	1991	New rates instituted $55 3,499 lbs. or less $88 3,500 lbs. and over	+$ 3,000,000
	2003	2003	New rates instituted $72 3,499 lbs. or less $115 3,500 lbs. and over	+$ 10,900,000
	2004	2005	New rates and weight classes instituted $72 for 3,499 lbs. or less $115 for 3,500 – 4,999 lbs. $155 for 5,000 lbs. and over $36 for clean fuel or electric vehicle	+$ 2,800,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
PROPERTY TAXES:				
	Personal Property			
	1970	1970	Rate increased 10¢/$100 assessed value $2.40/$100	+$ 700,000
	1973	1973	Phase-out of tax applicable to business inventories FY 1973 ⅔ rate applies FY 1974 ⅓ rate applies FY 1975 phase-out completed	-$ 2,600,000 -$ 5,300,000 -$ 8,500,000
	1976	1977	Rate increased 42¢/$100 of assessed value to $2.82/$100.	+$ 2,300,000
	1977	1977	Payment due with return-July 31st.	---
	1980	1980	Rate increased 28¢/$100 of assessed value to $3.10/$100.	+$ 2,200,000
	1987	1987	Created a retroactive personal property tax credit to all telecommunication providers.	---
	1992	1992	Rate increased 30¢/$100 of assessed value to $3.40/$100 (July 1992).	+$ 6,400,000
	1999	2000	Provide $50,000 taxable value threshold (revenue impact is full year for FY 2001).	-$ 6,000,000
	1999	2000	Accelerated depreciation for computer equipment (revenue impact is full year for FY 2001).	-$ 9,000,000
	2004	2005	15% of the District's annual personal property tax (not to exceed $10,000,000 per year) will be deposited in The Neighborhood Investment Fund.	-$ 9,547,000
	2008	2008	Exemption amount increased from $50,000 to $225,000.	-$ 11,07,000
	2009	2009	17.4% (increased from 15%) of the District's annual personal property tax (not to exceed $10,000,000 per year) will be deposited in The Neighborhood Investment Fund.	---
	2012	2012	Statutory transfer to The Neighborhood Investment Fund suspended in FY 2012.	+$ 10,000,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
PROPERTY TAXES-continued**:**				
Real Property				
	1970	1970	Rate increased 10¢/$100 of assessed value to $3.10/$100.	+$ 3,600,000
	1972	1972	Rate increased 10¢/$100 of assessed value to $3.20/$100.	+$ 3,900,000
	1973	1973	Rate increased 12¢/$100 of assessed value to $3.32/$100.	+$ 4,700,000
	1975	1975	Assessment level increased to 100% of estimated market value; rate dropped to $1.83/$100.	---
	1976	1976	First half real estate payment advance to September 15th from September 30th.	---
	1977	1978	Single-family homes, condominiums and cooperatives assessed value reduced by $6,000.	-$ 11,650,000
	1977	1978	Single-family homes, condominiums and cooperatives must be owner-occupied in order to receive $6,000 Homestead Exemption.	-$ 8,500,000
	1978	1979	Increased owner-occupied single-family homes, condos and cooperatives Homestead Exemption to $9,000.	-$ 3,000,000
	1979	1979	Three classifications of real property established for determining the applicable property tax rate.	---
	1980	1980	Class 3 rate increased 30¢/$100 of assessed value to $2.13/$100.	+$ 15,800,000
	1982	1982	A quinquennial (every 5 years) filing permitted for the $9,000 Homeowner's Exemption.	---
	1984	1984	Class 3 rate decreased 10¢/$100 of assessed value to $2.03/$100.	-$ 11,200,000
	1984	1984	Public space rental formula changed from a fractional assessment basis (65%) to a method based upon the property's full assessed value.	+$ 900,000
	1985	1985	Four classifications of real property established for determining the applicable property tax rate.	-$ 3,400,000
	1986	1987	Established a July Nuisance Tax Sale in addition to the annual January Real Property Tax Sale.	---

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
PROPERTY TAXES-continued**:**				
Real Property-continued				
	1986	1987	Retired Senior citizens, 65 or older, receive 50% reduction on real property taxes (01/87).	-$ 6,400,000
	1987	1987	Increased owner-occupied single-family homes, condominiums and cooperatives Homestead Exemption to $15,000 (01/87).	-$ 6,500,000
	1988	1989	Increased owner-occupied single-family homes, condominiums and cooperatives Homestead Exemption to $22,000 (06/88).	-$ 7,600,000
	1990	1990	Increased owner-occupied single-family homes, condominiums and cooperatives Homestead Exemption to $30,000 (06/90).	-$ 7,100,000
	1990	1990	Class 1 rate decreased from $1.06 to $0.96.	-$ 14,100,000
	1990	1990	Established Class 5 for unimproved vacant land at rate of $3.29.	+$ 5,800,000
	1992	1992	Expand eligibility for senior citizen property tax relief and cap eligibility at $100,000 income (07/92).	+$ 2,500,000
	1993	1994	Increase Class 5 rate from $3.29 to $5.00.	+$ 5,100,000
	1995	1995	Calculated rates go into effect for the 1st half of year. Class 1 rate = $0.96 Class 2 rate = $1.62 Class 3 rate = $1.81 Class 4 rate = $2.31 Class 5 rate = $5.35	+$ 40,100,000
	1996	1996	Eliminated July Nuisance Tax Sale.	---
	1997	1997	Replace January Real Property Sale with a July Real Property Tax Sale.	---
	1997	1999	The District began 3-year phase-in of a triennial assessment system. Properties were divided into three triennial groups for assessment purposes. One tri-group is reassessed each year. Tri-group I in Fiscal Year 1999, tri-group II in Fiscal Year 2000, and tri-group III in Fiscal Year 2001.	---
	1999	2000	Reduce Class 2 rate as follows: FY 2000 – from $1.54 to $1.34 FY 2001 – from $1.34 to $1.15 FY 2002 – from $1.15 to $0.96 (combined with Class 1 as Residential)	 -$ 13,100,000 -$ 25,600,000 -$ 38,100,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
PROPERTY TAXES-continued**:**				
Real Property-continued				
	1999	2000	Reduce Class 4 rate as follows: FY 2000 – from $2.15 to $2.05 FY 2001 – from $2.05 to $1.95 FY 2002 – from $1.95 to $1.85 (reclassified as Class 2-non-residential)	 -$ 16,800,000 -$ 33,500,000 -$ 50,300,000
	1999	2000	Reduce Class 5 rate as follows: FY 2000 – from $5.00 to $2.05 FY 2001 – from $2.05 to $1.95 FY 2002 – from $1.95 to $1.85 (reclassified as Class 2-non-residential)	 -$ 4,100,000 -$ 4,300,000 -$ 4,400,000
	2000	2000	Purchaser of tax sale property does not receive deed until Court judgment forecloses right of redemption.	---
	2002	2003	Return to annual assessment and instituting a 25% cap on annual tax growth of residential properties. One triennial group shifts into annual assessment each year through FY 2004, beginning with tri-group I, tri-group II in FY 2003, and tri-group III in FY 2004. By FY 2004, all property in the District will once again be reassessed on an annual basis.	+$ 55,000,000
	2002	2003	Created a new Class 3 for abandoned and vacant property, rate increased from $1.85 to $5.00	+$ 15,900,000
	2003	2004	Homestead exemption increased from $30,000 to $38,000.	-$ 6,653,000
	2003	2004	Cap on Real Property value decreased from 25% to 12%.	-$ 20,932,000
	2005	2006	Reduce Class 1 rate from $0.96 to $0.92	-$ 17,553,000
	2005	2006	Homestead exemption increased from $38,000 to $60,000.	-$ 16,542,000
	2006	2006	Cap on Real Property value decreased from 12% to 10%.	-$ 3,300,000
	2006	2006	Low income property tax deferred	-$ 2,000,000
	2006	2007	Reduce Class 1 rate from $0.92 to $0.88	-$ 17,100,000
	2008	2008	Homestead exemption increased from $60,000 to $64,000.	-$ 4,000,000
	2008	2008	Reduce Class 1 rate from $0.88 to $0.85	-$ 17,500,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
PROPERTY TAXES-continued**:**				
Real Property-continued				
	2008	2009	Class 2 properties will be subject to a split tax rate structure. Tax rate for the 1st $3 million in assessed value would be taxed at $1.65 per $100 and excess of $3 million in assessed value would be taxed at $1.85 per $100.	-$ 20,200,000
	2008	2009	Increased Class 3 rate from $5.00 to $10.00.	+$ 8,000,000
	2009	2009	Homestead exemption increased from $64,000 to $67,500.	-$ 4,000,000
	2009	2010	Delayed homestead deduction indexing through FY2013	+$ 4,000,000
	2009	2010	Reclassified Class 3 properties to only include improved blighted property	-$ 12,756,000
	2010	2011	Reclassified Class 3 properties to only include improved vacant property	---
	2010	2011	Created a new Class 4 for improved blighted property, rate $10.00	+$ 3,182,918
	2013	2013	Homestead exemption increased from $67,500 to $69,100.	-$ 4,000,000
	2014	2014	Homestead exemption increased from $69,100 to $70,200	-$ 6,000,000
	2014	2015	Interest-free real property tax deferral for seniors over 75 and with AGI less than $60,000 and interest and dividend income less than $12,500, if they have owned a house in the District for 25 years or more.	-$ 2,795,000
PUBLIC SPACE RENTAL				
	2005	2006	Public Space Rental will be dedicated to DDOT as Special Purpose Revenue.	-$ 17,077,000
	2010	2012	DDOT Unified Fund was repealed and all Public Space Rental revenue will now remain in the local fund.	+$ 33,456,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
PUBLIC UTILITIES				
	1973	1973	Rate increased from 4% to 5%.	+$ 3,000,000
	1976	1976	Rate increased from 5% to 6%.	+$ 4,800,000
	1977	1977	Payment due with return August 1st.	---
	1983	1983	Rate increased from 6% to 6.7%.	+$ 8,200,000
	1983	1984	Repealed estimated reporting and payment provisions.	---
	1983	1984	Payment dates changed from annually on or before August 1st to monthly by the 20th day of each month.	---
	1987	1987	Gross receipts tax imposed on all telecommunications service providers.	+$ 20,000,000
	1989	1989	Gross receipts tax repealed on all telecommunications service providers.	-$ 20,000,000
	1991	1991	Gross receipts tax rate increased, by temporary legislation, from 6.7% to 9.7% (estimated revenue effect is for three months).	+$ 12,200,000
	1992	1992	Gross receipts tax rate of 9.7% made permanent (April 1992).	+$ 44,300,000
	1992	1992	Expand public utility gross receipts tax to include cable TV, video, radio and other services (July 1992).	+$ 4,200,000
	1994	1994	Gross receipts rate increases to 10% (June 1994).	+$ 3,900,000
	1994	1994	Expand gross receipts tax to heating oil (June 1994).	+$ 1,800,000
	1997	1997	Tax base expanded to 3rd party providers of natural gas.	+$ 800,000
	1998	1999	Tax base narrowed to exclude gross receipts tax collected from consumers.	-$ 14,000,000
	2002	2003	Rate increased from 10% to 11%.	+$ 10,400,000
	2004	2005	Rate decrease from 11% to 10% for residential. Non-residential will remain at 11% with 1% going to finance the construction of the baseball stadium. Electric rate for nonresidential increase from $.0070 to $.0077. The $.0007 surcharge is dedicated to the construction of the baseball stadium. Natural Gas basis for taxable was changed to per therm of natural gas delivered to end-users. Residential: $0.0703 from 12/02/05 to 09/28/06 $0.0707 from 09/29/06 Nonresidential: $0.0703 plus $0.00983 from 12/02/05 to 09/28/06 $0.0707 plus $0.00707 from 09/29/06	-$ 9,000,000 ---
	2006	2006	Heating oil changed from rate based on gross receipts to rate based on gallons used. New rate $0.17 for residential and $0.187 for non-residential.	---

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
TOLL TELECOMMUNICATIONS-continued**:**				
	1989	1989	Effective March 3, 1989, toll telecommunications gross charges subjected to a tax of 6.7%. This replaced the gross receipts tax on all telecommunication service providers and also provided partial sales and personal property tax exemptions.	+$ 20,000,000
	1991	1991	Toll telecommunication gross charges tax rate increased by temporary legislation from 6.7% to 9.7%.	+$ 2,500,000
	1992	1992	Gross charges rate of 9.7% made permanent (April 1992).	+$ 10,000,000
	1994	1994	Gross charges tax rate increased to 10% (June 1994).	+$ 2,700,000
	1996	1997	Toll telecommunications tax base expanded to include commercial mobile cellular service.	+$ 4,800,000
	1998	1999	Toll telecommunications tax base for commercial mobile cellular service changed.	-$ 500,000
	1998	1999	Tax base narrowed to exclude gross receipts tax collected from consumers.	-$ 5,000,000
	2002	2003	Rate increased from 10% to 11%.	+$ 4,900,000
	2004	2005	Rate decrease from 11% to 10% for residential. Non-residential will remain at 11% with 1% going to finance the construction of the baseball stadium.	-$ 9,000,000
SALES AND USE TAX				
	1970	1970	Rate of 5.0% imposed on all restaurant meals and sales of alcoholic beverages.	+$ 3,400,000
	1970	1970	Rate of 2.0% applies to: Groceries-with a sales tax credit for residents earnings below $6,000; Laundry and dry cleaning; Non-prescription drugs.	 +$ 1,300,000 +$ 1,000,000 +$ 350,000
	1970	1970	Rate of 4.0% applies to: Admissions to theaters and public events; Repair of tangible personal property; Duplicating, addressing and mailing services.	 +$ 700,000 +$ 2,200,000 +$ 800,000
	1972	1972	Rentals of linens added to base at 2.0%	+$ 125,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
SALES AND USE TAX-continued**:**				
	1973	1973	General rate increased from 4.0% to 5.0%.	+$ 13,000,000
	1973	1973	Transient accommodations, sale of alcoholic beverages and restaurant meals increased from 5.0% to 6.0%.	+$ 2,800,000
	1976	1976	Groceries, non-prescription drugs and laundry and dry cleaning exempted.	-$ 6,800,000
	1976	1976	Rental of linens increased from 2.0% to 5.0%.	+$ 300,000
	1976	1976	Motor vehicle parking subject to tax at 8.0%	+$ 3,300,000
	1976	1976	Transient accommodations, restaurant meals increased from 6.0% to 8.0%	+$ 9,400,000
	1976	1976	Motor vehicle parking increased from 8.0% to 12.0%.	+$ 1,600,000
	1980	1980	General rate increased from 5.0% to 6.0%. Sales of motor fuel subjected to general sales tax rate of 6.0%. Transient accommodations increased from 8.0% to 10.0%.	+$ 29,000,000
	1980	1980	Candy, confectionery, chewing gum and soft drink sales are taxable at 8.0%. Rental or leasing of rental vehicles and utility trailers subject to 8.0% use tax.	+$ 2,500,000
	1981	1981	Sales tax on motor fuel sales repealed, effective December 1, 1980.	-$ 13,000,000
	1982	1982	Repeal the 8.0% tax on candy, confectionery, chewing gum and soft drinks.	-$ 2,500,000
	1984	1985	Sales tax rate on items sold in vending machines increased from 2.0% to 6.0%.	+$ 1,000,000
	1987	1987	Exempt certain food items to maintain conformity to federal food stamp laws.	---
	1987	1987	Examine District of Columbia sales exemption status organization exempt under Internal Revenue Code 501C (4).	---
	1989	1989	Established tax on real property services at the rate of 6.0%.	+$ 10,000,000
	1989	1989	Established tax on data processing and information services at 6.0%.	+$ 25,000,000
	1989	1989	Established Vendor credit of 1.0% of sales.	-$ 1,600,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
SALES AND USE TAX-continued				
	1989	1989	Restaurant meals and sales of alcoholic beverages increased from 8.0% to 9.0%.	+$ 11,000,000
	1989	1989	Transient accommodations increased from 10.0% to 11.0%.	+$ 7,000,000
	1990	1990	Clarified tax on services not to apply to services provided to affiliated companies.	-$ 1,000,000
	1991	1991	Sales tax on residential utility services repealed by temporary legislation (estimated revenue effect is for three months).	-$ 3,900,000
	1992	1992	Increased sales tax rate on sale of off premises consumption of alcoholic beverages from 6.0% to 8.0% (June 1992).	+$ 2,900,000
	1992	1992	Expand 6.0% sales tax base to include laundering services (July 1992).	+$ 3,000,000
	1992	1992	Make repeal of sales tax on residential utilities services permanent (April 1992).	-$ 15,700,000
	1993	1993	Expand 6.0% sales tax base to include the following: Snack foods; Selected telecommunications services; All publications and newspapers.	 +$ 2,700,000 +$ 7,600,000 +$ 2,700,000
	1994	1994	Temporally increase general sales tax rate to 7.0% (June 1994).	+$ 10,800,000
	1994	1994	Expand sales tax base to courier services (June 1994).	+$ 2,000,000
	1994	1994	Expand sales tax base to employment services (June 1994).	+$ 2,500,000
	1994	1995	Permanently reduce general sales tax rate to 5.75% (October 1994).	-$ 9,200,000
	1994	1995	Restaurant meals and alcohol for on premise consumption increased from 9.0% to 10.0% with the 1.0% increase to finance the Convention Center (October 1994).	+$ 12,400,000
	1994	1995	Transient accommodations increased from 11.0% to 13.0% with 2.5% to increase funding for new Convention Center.	+$ 10,960,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
SALES AND USE TAX-continued				
	1999	1999	Transient accommodations tax increased from 13.0% to 14.5% to increase funding for new Convention Center. However, general fund tax portion of hotel sales tax reduced from 10.2% to 10.05% (October 1999). 8/	-$ 4,000,000
	1999	2000	Sales tax on Internet access eliminated.	---
	2001	2001	Repeal the sales tax on snack foods.	-$ 3,300,000
	2001	2001	Eliminates the 1.0% sales tax credit allowed to vendors for timely filing their returns.	---
	2001	2001	Sales tax holiday (10 days: August 3rd to August 12th).	-$ 908,000
	2002	2003	Increased retail alcoholic beverage tax rate from 8.0% to 9.0%.	+$ 1,350,000
	2004	2005	Implemented permanent sales tax holiday in August and November.	-$ 500,000
	2005	2005	Implemented 10% charge on all tickets sold and all merchandise sold at baseball games and transferred to the Ballpark Fund.	-$ 8,562,000
	2006	2006	50% Commercial lot parking rate dedicated to DDOT and 50% to Capital Fund.	-$ 30,000,000
	2006	2006	Increase tax on tobacco products used for smoking, chewing or as snuff, made in whole or in part with tobacco, except for cigarettes, premium cigars, or pipe leaf tobacco products from 5.75% to 12%.	+$ 12,000
	2009	2010	Eliminate sales tax holidays	+$ 1,283,000
	2009	2010	Increased general sales tax rate from 5.75% to 6.0% until FY2013.	+$ 20,528,000
	2011	2012	Soft drinks (non-alcoholic beverages not containing milk, or milk substitutes, non-carbonated fruit or vegetable juice, coffee, cocoa or tea) are no longer exempt from sales tax and revenues are dedicated to DC Healthy Schools Fund.	+$ 4,266,000
	2010	*2012*	*Repeal of DDOT Unified Fund and allocation of all parking tax revenue to support the District's contributions to the Metro system.*	---

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
SALES AND USE TAX-continued				
	2011	2012	Increased retail alcoholic beverage tax from 9% to 10%. Revenue raised will fund the Reimbursable Detail Subsidy Program in the Alcoholic Beverage Regulation Administration (ABRA).	+$ 460,000
	2011	2012	Sales tax expanded to include armored car services, private investigation services, and security services.	+$ 4,870,000
	2011	2012	Increased parking tax from 12% to 18%.	+$ 18,239,000
	2011	2013	Retain 6.0% sales tax rate after FY 2012.	+$ 15,890,000
	2012	2013	All licensed street or mobile vendors to collect sales taxes and make a minimum sales tax payment of $375 per quarter. Vendors that collect more than $375 per quarter in sales taxes would be required to remit the full amount collected.	+$ 1,158,000
	2013	2013	Authorizes Class A licensees to sell alcohol on Sundays and dedicates the revenues to ABRA's Reimbursable Detail Subsidy Program.	+$ 710,000
	2013	2014	Reduce general sales tax rate to 5.75%.	+$ 19,830,000
	2014	2015	Sales tax base expanded to include some currently untaxed services, such as bottled water delivery, carpet and upholstery cleaning services, fitness and recreational sports centers, and other personal care services such as tanning, car washes, bowling centers and billiard parlors.	+$ 9,200,000
	2014	2015	Adds a use tax line on the individual income tax form so residents can pay sales taxes on items they purchased remotely if the vendor did not charge a sales tax on the transaction.	+$ 1,000,000*
	2014	2015	All tobacco products, except premium cigars and e-cigarettes will be taxed similarly to cigarettes.	+$ 7,000,000
*= FY2016 Revenue impact.				
HOTEL OCCUPANCY TAX				
	1978	1978	Hotel occupancy tax of $0.80 per room per day enacted.	+$ 3,000,000
	1982	1983	Rate increased to $1.00 per room per day.	+$ 938,000
	1989	1989	Rate increased from $1.00 to $1.50 per room per day.	+$ 3,000,000
	1999	1999	Repeal of hotel occupancy tax (October 1, 1998).	-$ 5,400,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE				PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
SPECIAL PROGRAMS							
	1985	1985	District of Columbia Rental Housing Act of 1985. 9/				---
	1987	1987	Tax Amnesty Program (July 1, 1987 – September 30, 1987). 10/				+$ 10,000,000
	1994	1994	One year public fee implementation.				+$ 10,900,000
	1994	1995	Arena Fee, to finance a downtown sports arena.				+$ 9,100,000
	1999	2000	Arena Fee rates changed as follows:				+$ 3,000,000
			ORIGINAL RATES		**REVISED RATES**		
			DC Gross	**Arena Fee**	**DC Gross**	**Arena Fee**	
			$0 - $200K	$25	$2M-$3M	$1,000	
			$200K - $500K	$50	$3M - $10M	$3,300	
			$500K - $1M	$100	$10M - $15M	$6,500	
			$1M - $3M	$825	Over $15M	$11,000	
			$3M - $10M	$2,500			
			$10M - $15M	$5,000			
			$15M and over	$8,400			
	2001	2001	Arena Fee terminated in Fiscal Year 2001.				-$ 12,000,000
	2002	2003	The Housing Production Trust Fund established- 15% of Deed Recordation and Deed Transfer Taxes will be deposited to provide financial assistance for housing available to low and moderate-income families and individuals				+$ 5,000,000
	2004	2005	Healthcare Provider Fee.				+$ 5,500,000
	2004	2005	The Neighborhood Investment Fund established- 15% of the District's personal property tax (not to exceed $10,000,000).				+$ 9,547,000
	2005	2005	Ballpark Bonds-1% of Toll Telecommunication and Public Utility Taxes for non-residential will be used to finance the construction of the DC baseball stadium.				+$ 14,000,000
			DC Gross Receipts	**Ballpark Fee Rate**			
			$ 5 - $ 8M	$ 5,500			
			$ 8 - $12M	$10,800			
			$12 - $16M	$14,000			
			$16M and over	$16,500			

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
SPECIAL PROGRAMS-continued**:**				
	2007	2008	The Verizon Center Sales Tax Revenue Bond Approval Act of 2007: in order to service a loan to renovate the Verizon Center, merchandise and tickets for events at the Verizon Center will be subject to a tax of 10% (compared to the prior rate of 5.75%). The revenue collected from the increased rate, will be placed into a separate fund and used to make principal and interest payments on the loan.	---
	2009	2010	Enacted a 5¢ plastic bag fee on all non-recyclable plastic carryout bags, effective October 1, 2009.	+$ 3,679,000
	2010	2010	Hospital and medical services corporation (HMSC) allowed to make a $5,000,000 annual payment in lieu of community reinvestment and transferred to the Healthy DC and Health Care Expansion Fund. The total agreement is for $25 million; the final contribution is in FY 2014.	---
	2010	2011	Revenues from the sale of medical marijuana will be transferred to the Healthy DC and Health Care Expansion Fund.	---
	2010	2011	$1,500 assessment per licensed bed that is dedicated to the Hospital Fund to finance Medicaid services.	+$ $6,257,000
	2010	2011	$2,000 assessment per licensed bed that is dedicated to the Hospital Fund to finance Medicaid services.	+$ $2.098,000
	2011	2012	$2,529 assessment per licensed bed in FY 2011, and a $3,788 assessment per licensed bed for FY 2012-FY 2014, will be used to fund Medicaid services.	+$ $7,170,000

HISTORY OF MAJOR CHANGES IN THE DISTRICT OF COLUMBIA TAX STRUCTURE
FISCAL YEAR 1970 – FISCAL YEAR 2014

	FISCAL YEAR OF ENACTMENT	FISCAL YEAR EFFECTIVE	CHANGE	PROJECTED FULL YEAR REVENUE EFFECT AT TIME OF CHANGE 1/
SPECIAL PROGRAMS-continued				
	2010	2011	Each intermediate care facility for Individuals with Intellectual and Developmental Disabilities (ICF-IDD) in DC will pay assessment of 5.5% of gross revenue in quarterly installments and this will be transferred to the Stevie Sellows Quality Improvement Fund.	---

1/ The revenue effect of each law change is mutually exclusive.
2/ The revenue effect of adding financial institutions to the corporation franchise tax base resulted in a revenue loss of $7.2 million annually by Fiscal Year 1985. The increase shown results from the mechanisms of phasing in the change.
3/ Income tax change effective on a calendar year basis.
4/ Top rate may be reduced as low as 8.0%, depending upon revenue and economic performance.
5/ Revenue impact represents increase in general fund (local) revenues.
6/ Estimate provided by Department of Public Works.
7/ For owner-occupied, property sold under $250,000, the rate will remain at 1.1%.
8/ Revenue effect reflects loss to general fund (local) revenues.
9/ Department of Finance and Revenue require Tax Standing Evaluation Reports.
10/ Amnesty from penalties and interest for all taxes except real property tax and unemployment compensation. Effective October 1, 1987, penalties and interest for all taxes except real property and unemployment compensation increase.
11/ For owner-occupied, property sold with a value of less than $400,000, rate will remain at 1.1%.

PART V -- FILING AND PAYMENT DATES, FY 2014

FILING AND PAYMENT DATES
FY 2014

Alcoholic Beverage Tax

The tax is due on the 15th day of each month on the preceding month's sales.

Cigarette Tax

Payment is made by the purchase of stamps that are affixed to the packages of cigarettes.

Estate Tax

Returns and tax are due 10 months after death of decedent, and must include a copy of the federal estate tax return, if any. A return is not required to be filed if the gross estate does not exceed $1 million.

A penalty of 5% per month, but not more than 25% in the aggregate, of the tax due is imposed for the failure to timely file the return or pay the tax. Interest is assessed on any tax not paid by the due date at the rate of 10% compounded daily per statute.

Income Taxes:

Corporate and Unincorporated Business Franchise Taxes

Corporate returns are due and payment of the tax must be made on or before the 15th day of the third month following the close of the taxable year. Unincorporated business franchise tax returns are due and payment of tax must be made on or before the 15th day of the fourth month following the close of the taxable year. A penalty of 5%, but not more than 25% in the aggregate, is imposed for failure to timely file returns. Interest is imposed for any tax not paid when due at the rate of 10% compounded daily per statute until the tax is paid.

Individual Income Tax

Calendar year returns are due on or before April 15 of the succeeding year while fiscal year returns are due on or before the 15th day of the fourth month following the close of the fiscal year.

The penalty for failure to file a return on time is 5% of the tax due, but not more than 25% in the aggregate. Interest at the rate of 10% compounded daily per statute is charged from the due date of the return to the date the tax is paid.

Individual Income Tax (cont.)

Individuals who reside in the District and who are not subject to a withholding tax on their gross income must pay estimated taxes on a quarterly basis if they expect to have a tax liability of more than $100 for the tax year. Estimated payments for a tax year are due on April 15th, June 15th, September 15th of that year, and January 15th of the next year.

The penalty for failure to file a declaration of estimated tax on time is 5% per month of the estimated tax, but not more than 25% in the aggregate. Interest is charged for failing to pay any installment when due at the rate of 10% compounded daily per statute.

Employers must withhold District individual income taxes from employees who are subject to the tax. If such withholding is less than $50 per month, the employer must remit the tax by the last day of the month following the close of the tax year; if withholding is $50 or more per month, it must be remitted by the 20th day of the following month.

The penalty for failure to file the withholding tax return or to pay the tax when due is 5% of the tax withheld during the reporting period, but not more than 25% in the aggregate. Interest is charged for late payment at the rate of 10% compounded daily per statute from the due date of the return to the date the tax is paid.

Insurance Premiums Tax

If tax liability is less than $1,000, the tax must be paid before March 1 of the succeeding calendar year. If tax liability is $1,000 or more, at least 50% of tax must be paid by June 1 of the calendar year in which the taxable income is received. The remainder is due on or before March 1 following the close of the calendar year. A penalty of 8% per month of the tax due is charged for failure to timely pay the insurance tax.

Motor Vehicle Excise Tax

The tax is levied at the time that the certificate of title is issued.

Motor Vehicle Fuel Tax

Reports and tax are due by the 25th day of each month on the preceding month's sales or dispositions.

Motor Vehicle Registration Fee

Under the staggered motor vehicle registration system, motorists will pay their registration fees upon assumption of ownership of the vehicle or by an assigned day of the year.

Personal Property Tax

The return, accompanied by the tax payment, is due on or before July 31 of each year on the tangible personal property remaining cost (current value) as of July 1. A penalty of 5% per month, but not more than 25% total, is charged for failure to timely file a return. Interest at the rate of 10% compounded daily per statute is charged until the tax is paid.

Real Property Tax

The assessment year begins on January 1 and ends on December 31. Property owners receive notices of proposed assessments on or before the following March 1 and have until April 1 to appeal such assessments before the Assessment Division. If the assessor and the property owner, or party of interest, do not resolve a disputed value, the property owner may proceed to the Real Property Tax Appeals Commission (RPTAC). RPTAC will not accept an appeal unless there has first been an appeal to the Office of Tax and Revenue's Assessment Division.

The tax may be paid in full or in two equal installments. One-half the tax is payable on or before March 31 and the other half tax is due on or before September 15. A 10% penalty is imposed for late payment of real estate tax bills. Interest at the rate of 10% compounded daily per statute is charged from the date the tax is due until the date the tax is paid.

Public Utility Tax

Returns are due by the 20th day of each month on the preceding month's gross receipts. A penalty of 5% per month, but not more than 25% in the aggregate, is charged for failure to file a return or pay taxes on time. Interest is charged at the rate of 10% compounded daily per statute until the tax is paid.

Deed Recordation Tax

The deed recordation tax is due when the deed is recorded. Each deed must be accompanied by a return before it can be recorded. The penalty for failure to make and file a correct return is 5% per month, but not more than 25% in the aggregate. Interest at the rate of 10% per year compounded daily is charged on any recordation tax not paid when due.

Deed Transfer Tax

The transfer tax is due when the deed is recorded and each deed must be accompanied by a transfer tax return. A penalty of 4% of the tax due is imposed for failure to file the transfer tax return. Interest is charged at the rate of 1.25% per month.

Economic Interest Transfer

The economic interest transfer tax is triggered by two elements. These elements are 1) 80% of the assets of a corporation consist of real property located in the District of Columbia, and 2) more than 50% of the controlling interest of the corporation is being transferred. If these two elements are met then the tax rate is 2.9% of the consideration. The consideration is not always equal to the assessed value of the property. The consideration is what is paid for the interest being transferred. If there is no tangible consideration, then the tax basis will be the assessed value of the property owned by the corporation. The tax is due at the time of recordation.

Sales and Use Taxes

Monthly returns and tax are due by the 20th day of each month following the reporting period. If the due date falls on Saturday, Sunday or a legal holiday, the return is due on the next business day. To avoid a delinquency notice, a return must be filed even if no sales were made or no sales or use tax is due.

An annual return is due on or before January 20^{th}. To avoid delinquency notices, a return must be filed even if no sales were made or no sales or use tax is due.

A penalty of 5% per month, but not more than 25% in the aggregate, is charged for failure to file sales and use tax returns or to pay sales and use taxes on time. Interest is charged at the rate of 10% per year, compounded daily, until the tax is paid.

There is a 20% penalty on any understatement of taxes due if the understatement exceeds either 10% of the tax determined to be due or $2,000, whichever is the greater. (Understatement of taxes is the difference between the amount shown on the original or amended return and any greater amount of tax determined to be due as a result of an audit or review.)

Toll Telecommunications Tax

Returns and tax are due by the 20th day of each month on the preceding month's charges. An annual return must be filed on or before 30 days after the end of the tax year.

A penalty of 5% per month, but not more than 25% in the aggregate, is charged for failure to file tax returns or to pay toll telecommunications taxes on time. Interest is charged at the rate of 10% compounded per statute until the tax is paid.

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