

**PUBLIC HEARING**  
**ON**  
**BILL 19-781 “THE SMALL, LOCAL AND  
DISADVANTAGED BUSINESS ENTERPRISE  
DEVELOPMENT AND ASSISTANCE OMNIBUS  
AMENDMENT ACT OF 2012”**

**Before the  
Committee on Small and Local Business Development Committee  
Council of the District of Columbia**

**The Honorable Vincent B. Orange, Jr., Chairman**

**July 12, 2012, 9:00 a.m.  
John A. Wilson Building, Room 500**



**Testimony of Stephen M. Cordi  
Deputy Chief Financial Officer  
Office of Tax and Revenue  
Office of the Chief Financial Officer**

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

Mr. Chairman and members of the Committee, my name is Stephen Cordi, Deputy Chief Financial Officer for the Office of Tax and Revenue. I am pleased to present testimony today on Bill 19-781, the Small, Local and Disadvantaged Business Enterprise Development and Assistance Omnibus Amendment Act of 2012.

Bill 19-781 is comprehensive legislation touching upon a large number of proposals to provide assistance for small, local and disadvantaged businesses. I will confine my remarks to Title II of the Bill, the Small Business Job Creation Tax Credit Act of 2012.

Committee staff took the time to confer with Chief Financial Officer personnel concerning these tax credit provisions before the introduction of this legislation. The result is that these tax credit provisions are generally workable. That said, there remain a few issues which will require attention if the objective of this part of the legislation is to be achieved.

Among other things, I note:

- 1) The requirement at page 26, line 7, that eligible employees be employed “in the District” runs the risk of excluding DC residents

hired by DC businesses who happen to be working outside the District.

- 2) The requirement of certification of “hard to employ” by DOES at page 26, line 22, works if the employee happened to be previously employed by an employer reporting to DOES but does not work for an employee whose employer was reporting wages to other jurisdictions.
- 3) References to taxes “withheld” at page 28, lines 1 and 12, are confusing because there is no withholding requirement with respect to franchise taxes.
- 4) The legislation at page 28, lines 10 and 21, provides that credits “shall not exceed \$5,000” and “shall not exceed \$2,500” but provides no guidance as to how the credit is to be calculated.
- 5) References at page 28, lines 2 and 13, to “§47-108” are probably intended as “§47-1808.”

The Office of Tax and Revenue would be pleased to provide whatever additional assistance it can to the Committee to assure that this legislation accomplishes its purposes.