

**PUBLIC HEARING ON  
BILL 15-304, “PUBLIC CHARTER SCHOOL REAL  
PROPERTY TAX REBATE ACT OF 2003”**

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

**The Honorable Jack Evans, Chairman**

**March 3, 2004, 10:00 a.m.  
Room 120, John A. Wilson Building**



**Testimony of  
Thomas Branham  
Chief Assessor  
Office of Tax and Revenue**

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

Good morning, Chairman Evans and members of the Committee on Finance and Revenue. I am Thomas Branham, chief assessor for the District in the Office of Tax and Revenue (OTR). I am pleased to come before you today to present testimony on Bill 15-304, the “Public Charter School Real Property Tax Rebate Act of 2003.”

Bill 15-304 would establish a procedure whereby a public charter school that leases a school facility from an entity subject to District real property taxes may apply for a rebate of that portion of any property tax paid by the public charter through a lease agreement. The property tax rebate would be limited to \$20,000 or the amount of the tax paid, whichever is less.

OTR can provide no estimate of the administrative costs and impact of such a rebate program, because we have no way of knowing how many charter schools are leasing space from taxable entities in the District. If such a list were made available, we would be better able to determine how quickly the program could be implemented and how costly it would be.

We would like to make several observations and suggestions regarding the ability to administer such a program, particularly in terms of effective dates within the bill. First, under section (b), the charter school must apply for the rebate no later than July 31 of the calendar year in which the school year ended. However, this cutoff date does not agree with the real property tax year billing cycle. Second-half real property tax bills are issued in mid-August and tax payments are not due

until September 15 each year. Therefore, OTR suggests the bill be amended to state that applications must be submitted no later than September 15 of each year.

Next, the bill would require the District to rebate taxes to charter schools by October 1 of the same school (calendar) year. We ask that this date be changed to December 31, to coincide with the new September 15 submission date, and allow us adequate administrative and processing time.

Section (d) would make the rebate effective “beginning with the 2003/2004 school year” (the current school year). However, for the sake of clarity, we suggest that this date be changed to the appropriate “fiscal year,” which runs from October 1 through September 30, and is essentially the same period as the real property tax year.

Finally, OTR must develop at least two forms for the tax rebate program, as well as perform other administrative operations, including identifying and training staff and conducting outreach. Thus, this program might be more effectively and realistically implemented in fiscal year 2005, which is next school year.

That concludes my statement, Mr. Chairman. Thank you for the opportunity to comment, and we welcome any questions you might have at this time.

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