

# **CleanEnergy DC Omnibus Amendment Act of 2018, Bill 22-904**

**Before the Committee on Transportation and the Environment  
and  
the Committee on Business and Economic Development**

**The Honorable Mary Cheh, Chairperson  
The Honorable Kenyan McDuffie, Chairperson**

**October 9, 2018, 11:00 AM  
Room 500, John A. Wilson Building**



**Comments by**

**Keith Richardson, Deputy Chief Financial Officer**

**and**

**Robert McKeon, Deputy Chief Counsel, Office of Tax and Revenue**

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

Thank you for the opportunity to provide comments on Bill 22-904, the “CleanEnergy DC Omnibus Amendment Act of 2018,” (the “Bill”).

Our review of the Bill is limited to the provisions that propose to amend the District of Columbia Traffic Act, 1925 requiring the Department of Motor Vehicles, in consultation with the Department of Energy and Environment and the Office of Tax and Revenue (“OTR”), to issue regulations to revise the calculation of the vehicle excise tax and tie it to fuel efficiency.

As a general matter, the vehicle excise tax is administered by the Department of Motor Vehicles, rather than OTR. Accordingly, we leave comments and recommendations on administrative issues to the Department of Motor Vehicles.

The Office of Tax and Revenue, however, suggests that the Bill could be clarified regarding the provision that would require the Department of Motor Vehicles to consult with OTR regarding the issuance of regulations because OTR does not administer the vehicle excise tax. Further, the requirement that individuals demonstrate their eligibility for the federal Earned Income Tax Credit will be difficult to administer because OTR does not have direct access to that information, which is subject to federally imposed confidentiality laws. We believe access to District Earned Income Tax Credit information would be more accessible with the taxpayer’s filing of a waiver of release of such tax information. Accordingly, OTR suggests the following technical changes to the Bill:

1. Amend Sec. 402. Section 6(j) of The District of Columbia Traffic Act, 1925, approved March 3, 1925 (43 Stat. 1121; D.C. Official Code §50-2201.03(j)(3)(Q)) as follows:

(a) A new paragraph (1A) is added to read as follows:

“(1A)(A) By January 1, 2020, the Department of Motor Vehicles, in consultation with the Department of Energy and Environment, shall issue rules revising the calculation of the vehicle excise tax such that the fee amount shall be applied as either an increase or decrease to the excise tax amount as described in this paragraph.

(b) Revise paragraph (1A)(G)(i) as follows:

“(1A)(G)(i) Vehicles owned by individuals who demonstrate that they claimed and received the District Earned Income Tax Credit for the tax period closest in time (for which a return could be due) to the date the vehicle excise tax is timely levied. The Office of Tax and Revenue shall confirm whether the District Earned Income Tax Credit was claimed and received on such District income tax return based upon completion and submission of a tax information authorization waiver form by the individual; or”

Should you have any questions, please direct them to Sonia Kamboh at [Sonia.Kamboh@dc.gov](mailto:Sonia.Kamboh@dc.gov) or (202) 442-4063.