JOINT PUBLIC HEARING ON Bill 20-460, "Living Wage for All Act of 2013"

Before the Committee on Business, Consumer, and Regulatory Affairs The Honorable Vincent B. Orange, Sr., Chairman

and

The Committee on Finance and Revenue The Honorable Jack Evans, Chairman

October 28, 2013, 10:00 AM John A. Wilson Building, Room 500



Testimony of Bazil Facchina Assistant General Counsel Office of Tax and Revenue

Natwar M. Gandhi Chief Financial Officer Government of the District of Columbia Good afternoon Chairman Orange and Chairman Evans, as well as members of the Committee on Business, Consumer, and Regulatory Affairs and members of the Committee on Finance and Revenue. I am Bazil Facchina, Assistant General Counsel, for the Office of Tax and Revenue. I am pleased to present testimony on Bill 20-460, the "Living Wage for All Act of 2013."

First of all, let me make clear that my testimony will be directed only to the tax provisions of this Bill, and that I will make no comment upon the provisions of the Bill dealing with the minimum wage.

In general, the Bill would increase the standard deduction allowed for purposes of computing an individual's District income tax liability and would provide a tax credit to retail establishments and restaurants based on the amount of property taxes assessed. These provisions would be effective July 31, 2014.

The tax provisions of the Bill will require some revisions and additions in order to facilitate their implementation and administration by the Office of Tax and Revenue. Representatives of OTR have met with staff of the Councilmember Wells, who introduced the Bill, to discuss the reasons why adjustment of the Bill

language would be desirable. We are prepared to work with the Council to refine the Bill's tax language to better achieve its goals and to facilitate its administration.

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