

Golden Triangle Business Improvement District Amendment Act of 2018, Bill 22-761

Before the Committee on Finance and Revenue

The Honorable Jack Evans, Chairman

**April 30, 2018, 10:00 AM
Room 120, John A. Wilson Building**



**Testimony of
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Good morning Chairman Evans and members of the Committee on Finance and Revenue. My name is Basil Facchina, Assistant General Counsel for the Office of Tax and Revenue. I am pleased to present testimony on Bill 22-761, the Golden Triangle Business Improvement District Amendment Act of 2018.

In general, the Bill would make several changes in the law governing Business Improvement Districts (BIDs) applicable to the Golden Triangle BID. The Bill would expand the property within that BID subject to the BID tax to include certain types of residential (class 1) property. The Bill also provides that the board of a condominium association of a property located within the Golden Triangle BID can petition to join that BID. The Bill adds certain designated properties to the Golden Triangle BID as of tax year 2019. Further, the Bill revises the rates of the BID's tax assessment applicable to class 2 and class 3 property for tax year 2019 and thereafter. Additionally, the Bill generally provides a \$120 annual tax for each unit of nonexempt residential property in the Golden Triangle BID, with a reduced amount for affordable housing units. Finally, the Bill authorizes a 3-percent annual increase in the per-unit BID tax for tax year 2020 and thereafter.

While, in general, the amendments proposed in the Bill will not pose administrative difficulties, we would recommend certain adjustments to facilitate administration and to clarify the Bill's language. For instance, the provisions of subsections (a) and (b) of section 2 of the Bill should be made effective as of October 1, 2019, as is the case with the provisions of subsection (c). Making all of the provisions of the Bill effective beginning tax year 2019 will reduce the necessity of preparing pro-rated or corrected bills for the newly-included properties, which could create processing difficulties for OTR. Certain other proposed technical changes are attached to my testimony.

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

ATTACHMENT

Section 202(c)(2)(B) (D.C. Official Code § 2-1215.52) is amended as follows:

Subparagraph (B) is amended by striking the phrase “For tax years 2011 and thereafter:” and inserting the phrase “For tax years 2011 through 2018:” in its place.