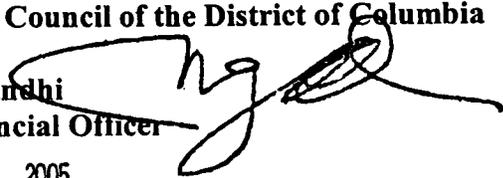


**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer
MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar Gandhi 
Chief Financial Officer

DATE: OCT 13 2005

SUBJECT: Fiscal Impact Statement: "Domestic Partner Health Care Benefits
Tax Exemption Act of 2005"

REFERENCE: B16-405

Conclusion

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the "Domestic Partner Health Care Benefits Tax Exemption Act of 2005." The proposed legislation will have a negligible fiscal impact on the District based on current rates of registration of domestic partners¹ and the numbers of domestic partners qualifying for dependant health care coverage.

Background

The proposed legislation amends §47-1803 of the District of Columbia Official Code to exempt from gross income the employer contribution to health insurance for a domestic partner. The legislation would grant domestic partner beneficiaries of employer health insurance coverage the same tax benefits as currently granted married dependants receiving health insurance via primary coverage of a spouse.

Financial Plan Impact

The proposed legislation will have a negligible fiscal impact due to the small number of District residents registered as domestic partners and the limited number of employers offering health insurance benefits to District residents' domestic partner dependants.

¹ The Vital Records Division of the District of Columbia Department of Health shows 503 domestic partnerships registered as of September 27, 2005.