

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 M. Gandhi
Chief Financial Officer

DATE: June 28, 2002

SUBJECT: Fiscal Impact Statement: "Transfer Tax Exemption of Certain Donations to WMATA Amendment Act of 2002"

REFERENCE: Draft Legislation as Introduced – No Bill Number Available

Conclusion

The proposed legislation will result in a reduction of local General Fund revenue of \$27,000 in Deed Recordation and Deed Transfer Taxes.

Background

The proposed legislation would forgive Deed Recordation and Deed Transfer Taxes on three properties which will be donated to the Washington Metro Area Transit Authority (WMATA) for use in the construction of the New York Avenue metro-rail station. Three commercial property owners intend to donate approximately 114,000 square feet at an assessed value of approximately \$2.5 million.

Financial Plan Impact

The proposed legislation will result in a reduction of local General Fund revenue of approximately \$27,000 as a result of the forgiveness of Deed Recordation and Deed Transfer Taxes for property donated to WMATA.