

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: July 7, 2003

SUBJECT: Fiscal Impact Statement: “Emmaus Rehabilitation Project Real Property Exemption Act of 2003”

REFERENCE: Bill 15-308 as Introduced [Ed.s Note: Emmaus = (ee-may-us)]

Conclusion

Funds are sufficient in the FY 2003 Budget and the FY 2004 through FY 2007 budget and financial plan as agreed to by the Mayor and the Council of the District of Columbia. The proposed legislation will not impact real property tax revenue.

Background

The proposed legislation approves the continuation of tax exempt status for real property described as Lot 74 in Square 366 located at 1426 9^h Street, N.W. and owned by Emmaus Services for the Aging. The proposed legislation requires that the property remain exempt from real property tax. In addition, the proposed legislation exempts the property from deed transfer and deed recordation taxes.

Emmaus Services for the Aging is a 501(c)(3) organization¹ with real property tax exemptions approved² by the Office of Tax and Revenue. They were in force until April 9, 2003 when the property legally transferred to a subsidiary limited liability corporation established to improve the property under a federal historic preservation tax credit initiative participating with The

¹ Approved October 22, 1986.

² Effective February 1, 1999 and September 1, 2000 [James R. Vinson, Dir. RPAD to Rev. Charles Parker, E.D.; August 14, 2000] for properties now legally conjoined into the subject property.

Historic Tax Credit Preservation Fund³. When the property changed hands to the Emmaus' subsidiary (the LLC) the exemptions were nullified. The proposed legislation will become effective April 9, 2003, thus continuing the real property tax exemption without interruption.

Financial Plan Impact

Funds are sufficient to implement the provisions of the proposed resolution. The proposed resolution will not affect local General Fund revenue.

The Chief Financial Officer's legislative fiscal analysis is prepared by the Special Projects and Fiscal Analysis Administration in the Office of Research and Analysis. Contact us at 441 4th Street, NW, Suite 400S, Washington D.C., 20001 or view our work on-line at <http://cfo.dc.gov>.

³ A required participating entity that is a wholly-owned subsidiary of Bank of America.