

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 [signature]  
Chief Financial Officer

**DATE:** March 1, 2004

**SUBJECT:** Fiscal Impact Statement: "Capitol Hill Community Garden  
Land Trust Real Property Tax Exemption and Equitable Real  
Property Tax Relief Act of 2004"

**REFERENCE:** Bill Number 15-614 as Introduced

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**Conclusion**

Funds are not sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the proposed legislation. **The proposed legislation will result in unbudgeted reductions in real property tax revenue by approximately \$52,344 beginning in FY 2004 and \$71,255 in FY 2004 through FY 2007.**

**Background**

The proposed legislation requires all real property taxes, interest, penalties, fees, and other related charges be forgiven for property located at Square 1100, Lot 0109. The proposed legislation states that this forgiveness has an effective date of October 1, 1994 and that an exemption will remain in effect in perpetuity as long as the property remains publicly accessible and used for non-commercial purposes.

**Financial Plan Impact**

Funds are not sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the proposed legislation because this bill will result in reductions in local General Fund revenue. The table in Figure 1 presents the projected reductions in real property tax revenue.

*Figure 1.*

<b>Impact on Local General Fund Revenue</b>				
<b>(\$)</b>				
<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>4 -Year Total</b>
\$52,344	\$6,088	\$6,301	\$6,522	<b>\$71,255</b>