


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



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** January 8, 2020

**SUBJECT:** Fiscal Impact Statement – National League of American Pen Women  
Real Property Tax Exemption Act of 2019

**REFERENCE:** Bill 23-276, draft Committee Print circulated on January 8, 2020

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**Conclusion**

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The bill costs approximately \$198,000 in fiscal year 2020 and a total of \$361,000 over the four-year financial plan, and these costs were included in the fiscal year 2020 budget and fiscal year 2020 through fiscal year 2023 financial plan.

**Background**

The bill provides an exemption from real property taxes<sup>1</sup> for property located at 1300 17<sup>th</sup> St, N.W.<sup>2</sup>, for as long as it is owned and operated by the National League of American Pen Women (NLAPW) and is used for NLAPW's purposes and activities. The exemption would be retroactive to fiscal year 2017, and it includes refunds of any payments previously made and forgiveness of penalties and interest owed.

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<sup>1</sup> By amending Chapter 10 of Title 47 of the D.C. Official Code

<sup>2</sup> Known as Lot 0825 in Square 0158, for taxation and assessment purposes

The Honorable Phil Mendelson

FIS: Bill 23-276, "National League of American Pen Women Real Property Tax Exemption Act of 2019," draft Committee Print circulated on January 8, 2020

### Financial Plan Impact

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The expected cost of the bill was incorporated into the fiscal year 2020 budget and fiscal year 2020 through fiscal year 2023 financial plan<sup>3</sup>.

The bill reduces annual real estate tax revenue by approximately \$53,000 each year. The bill has additional one-time costs in fiscal year 2020 related to the retroactive exemption for tax years 2017 through 2019. During tax year 2017 and tax year 2018, NLAPW paid approximately \$49,000, that will be refunded under the bill. The bill also forgives accumulated unpaid tax, penalties, and interest of approximately \$97,000.

| <b>Bill 23-276, National League of American Pen Women Real Property Tax Exemption Act of 2019</b> |                  |                 |                 |                 |                  |
|---|------------------|-----------------|-----------------|-----------------|------------------|
|   | <b>FY 2020</b>   | <b>FY 2021</b>  | <b>FY 2022</b>  | <b>FY 2023</b>  | <b>Total</b>     |
| Tax exemption for tax year  | \$51,890         | \$53,083        | \$54,304        | \$55,553        | \$214,830        |
| Refund of prior taxes paid  | \$48,964         | \$0             | \$0             | \$0             | \$48,964         |
| Forgiveness of unpaid taxes, penalties, and interest  | \$97,000         | \$0             | \$0             | \$0             | \$97,000         |
| <b>Total Cost</b>   | <b>\$197,854</b> | <b>\$53,083</b> | <b>\$54,304</b> | <b>\$55,553</b> | <b>\$360,794</b> |

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<sup>3</sup> Budget authority for refunds was included in the fiscal year 2020 budget for agency AT0.