


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



Fitzroy Lee
Interim Chief Financial Officer

MEMORANDUM

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

FROM: Fitzroy Lee
Interim Chief Financial Officer 

DATE: May 19, 2021

SUBJECT: Fiscal Impact Statement – Real Property Tax Sale COVID-19 Equitable
Emergency Amendment Act of 2021 (and accompanying Temporary
Act)

REFERENCE: Draft bill provided to the Office of Revenue Analysis on May 18, 2021

Conclusion

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill.

Background

The Office of the Chief Financial Officer conducts an annual public tax sale¹ to sell real property in arrears on real property taxes. The bill cancels the annual tax sale for calendar year 2021 and requires notice of cancellation to be mailed to all affected property owners. The cancellation is necessary due to the limitations on mass gatherings during the COVID-19 public health emergency and in order to be consistent with federal moratoriums on evictions and foreclosures. The sale usually sees attendance of 50 to 200 people, and current requirements limit gatherings to ten or more people. Additionally, nearly three months is required to plan a tax sale in advance, and while requirements may soon change, there are still uncertainties that impede the setting of a date this year. The sale was also canceled in 2020 due to the public health emergency.²

¹ D.C. Official Code § 47-1332.

² Real Property Tax Sale COVID-19 Equitable Emergency Amendment Act of 2020, effective from August 13, 2020 through November 10, 2020 (D.C. Act 23-383; 67 DCR 9868).

The Honorable Phil Mendelson

FIS: "Real Property Tax Sale COVID-19 Equitable Emergency Amendment Act of 2021," (and accompanying Temporary Act), Draft bill provided to the Office of Revenue Analysis on May 18, 2021.

Financial Plan Impact

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. The cancellation of the sale will shift \$12.5 million in real property tax revenue from fiscal year 2021 to fiscal year 2022, which is accounted for in the official revenue estimate issued on May 14, 2021.³ The net change in revenue over the four year financial plan is zero.

³https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/May%202021%20Revised%20Revenue%20Estimates%20for%20FY%202022%20-%202025_0.pdf