

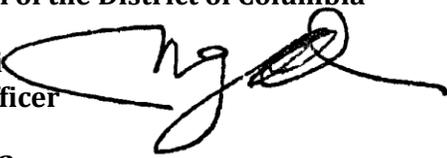
Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

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

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: September 5, 2012

SUBJECT: Fiscal Impact Statement – “Income Tax Withholding Statements
Electronic Submission Act of 2012”

REFERENCE: Draft legislation shared with OCFO on September 5, 2012

Conclusion

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill.

Background

The bill will require¹ that employers and payors who withhold income tax for 25 or more employees or persons to submit the withholding statements electronically in a form the Office of the Chief Financial Officer (OCFO) prescribes. OCFO may waive this requirement if electronic submission is deemed to be an undue hardship.

This requirement is current law, but only temporarily. The enabling law, Income Tax Withholding Statements Electronic Submission Temporary Act of 2011, will expire on October 6, 2012.²

Financial Plan Impact

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the provisions of the proposed legislation. The proposed legislation does not have an impact on the District’s budget and financial plan, but requires the electronic submission of income tax withholding statements by employers and payors.

¹ The bill would amend D.C. Official Code § 47-1812.08, Withholding of Tax.

² Effective February 24, 2012 (D.C. Law 19-90; 58 DCR 11207).