



GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF TAX AND REVENUE



# REAL PROPERTY TAX ADMINISTRATION

*appeals*

*real property*

*property rates*

*assessments*

*assessment  
services*



## *Real Property Tax Administration*

The Office of Tax and Revenue's Real Property Tax Administration (RPTA) administers the real property assessment and tax laws of the District of Columbia through the following divisions:

The **Assessment Division's** mission is to assess all real property for *ad valorem* tax purposes, conduct assessment appeals, maintain the assessment roll and parcel maps, and administer the real property tax credit and exemption laws.

The **Assessment Services Division's** mission is to annually bill, collect, and account for real property tax, conduct the annual real property Tax Sale, and to bill and collect other taxes as required by law.

The **Recorder of Deeds'** mission is to accept for recording all instruments as required, to be the official repository of the land records for the District of Columbia, and to collect all recordation tax, transfer fees as required by law.



# Assessments

**What is an assessment?** An assessment is the estimated market value of real property for tax purposes. Most D.C. property is assessed at 100% of market value.

Cooperatives are assessed at 65% of the value of owners' stock (aggregate leasehold value), minus the value of other assets, such as cash reserves.

**What is market value?** The most probable price (in terms of money) which a property should bring in a competitive and open market under all conditions requisite to a fair sale, whereby the buyer and seller each acting prudently and knowledgeably, and assuring the price is not affected by undue stimulus.

**What is an ad valorem tax?** Ad valorem means "according to value." An ad valorem tax is a tax assessed on real property based on the value of that real property.

**What are real property tax rates?** Real property tax rates are \$100 of assessed value as set by the D.C. City Council. The rates may change from year to year based on budget considerations. The current rates are outlined on page 6.

**When is my property assessed?** Real property is assessed annually as of January 1. The assessment is the basis for calculating taxes for the subsequent tax year.

**When does the District notify property owners of assessments?** Property owners will be notified by mail on or before March 1, as required by D.C. Official Code §47-824.

**How is my real property assessed?** The Real Property Assessment Division uses the mass appraisal process, based on real property data, using standard methods and allowing for statistical testing. The process incorporates one or more of the following approaches:

- Sales Comparison Approach
- Income Approach
- Cost Approach

**What if I disagree with my assessment?** If you disagree, you have the right to appeal the assessed value.



# Appeals Process

**Why is there an appeal process?** The appeal process provides an opportunity for the property owner to dispute the assessment determined by the Real Property Assessment Division. The process begins at the first level-administrative appeal. Property owners must base their appeal on any of the following criteria:

1. Valuation
2. Tax Classification
3. Property damage or condition
4. Errors in property records and/or
5. Unequal values on properties of the same size and use in the same area.

Include any facts, appraisals, photographs, sales data, income-expense statements that support your appeal.

**How do I file my appeal?** You must file your appeal before April 1. Download the Appeal Application from [www.cfo.dc.gov](http://www.cfo.dc.gov) or pick one up at your local fire station or library or call 202-727-4TAX (4829) to request one by mail. Send your application and documents to:

Office of Tax and Revenue  
Attention: Real Property Appeals Section  
P.O. Box 176  
Washington, D.C. 20044

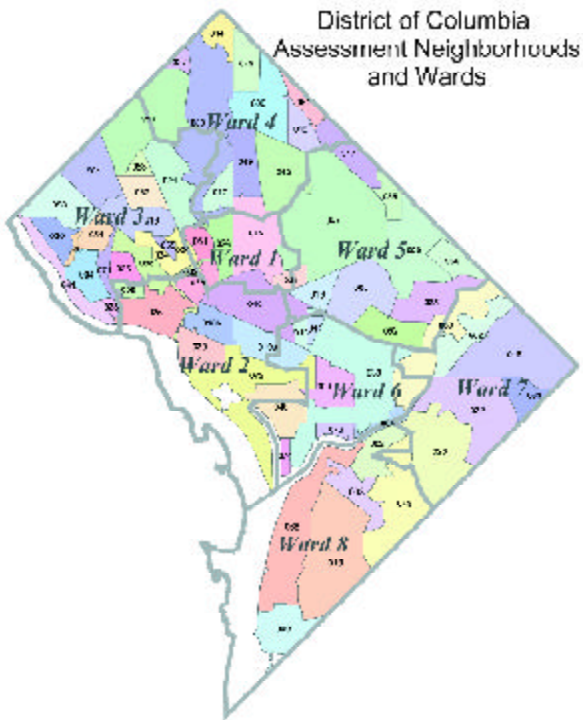
*If an agent will represent you, sign and attach a notarized Letter of Agent Authorization. (Forms are available on our Web site).*

The Appeal Process is described as follows:

**1<sup>st</sup> Level—Administrative Appeal:** This is an informal process. The assessor will review your statements and documents and compare them with OTR's records. The assessor considers the best available information and makes an assessment change, if warranted.

**2<sup>nd</sup> Level—Board of Real Property Assessments and Appeals (BRPAA):** If you are not satisfied with the 1<sup>st</sup> Level administrative appeal decision, you may appeal to BRPAA. You must file your appeal within thirty (30) days of the date of the Notice of Final Determination of Assessment, which you will receive from OTR.

**3<sup>rd</sup> Level—DC Superior Court:** - If you are not satisfied with the decision of BRPAA, you must file a complaint with the Superior Court of the District of Columbia.



A total of **173,000** *market value* taxable and exempt real properties have been reassessed to reflect current market value.

The District's owner-occupied *lowest* real property tax rate continues to be the **lowest** in the

Washington metropolitan area at **96 cents** *tax rate* per \$100 of assessed value.



# *Paying Your Taxes*

**How is real property taxed?** Real properties are taxed based on the classification of properties. Classification is the grouping of real properties into classes, based on similar use. Each class is taxed at different rates. Tax classes and rates for the current year are as follows:

Current Real Property Tax Rates		
Class	Rate per \$100	Property Description
1	\$0.96	Occupied residential property
2	\$1.85	Occupied commercial properties, office buildings, hotels, etc.
3	\$5.00	Unimproved land, unoccupied commercial and residential properties

**When are property taxes due?** Twice yearly and due as follows:

Bill	Period	Due Date
1st Half	October 1- March 31	March 31
2nd Half	April 1- September 30	September 15

**How should I pay my bill?** Write a check or money order payable to the D.C. Treasurer. Include your square or parcel, suffix, and lot numbers. Enclose the top portion of your bill. If you do not enclose the top portion of your bill, your payment may not be credited to your account. Do not send cash. It may get lost or stolen. Mail your payment in the envelope provided. If you must use another envelope, send it to the following address:

Office of Tax and Revenue  
Real Property Assessment Division  
P.O. Box 98095  
Washington, D.C. 20090-8095

**May I pay my bill in person?** Yes, you may pay your bill in person at any Wachovia Bank, located in the District of Columbia.



**What if my mailing address changes?** Notify us of your new address by sending a written request to the address below. Identify the property by square, suffix and lot, or parcel and lot, and premise address. You or your authorized representative must sign the request.

Government of the District of Columbia  
Office of Tax and Revenue  
Maps and Title Unit  
941 North Capitol St., NE – 4th Floor  
Washington, DC 20002

**What if I believe my bill is wrong?** You must first pay your bill by the due date. Within ten days of the payment due date, send a protest letter telling why you disagree with the bill. Do not write or attach notes to your bill. Send the protest letter in a separate envelope to the following address:

Government of the District of Columbia  
Office of Tax and Revenue  
Customer Service Administration  
941 North Capitol St., NE – 1st Floor  
Washington, D.C. 20002

**What if I do not receive a bill?** Even if you do not receive a bill, you must still pay your taxes by the due date. If you do not receive a bill, call 202-727-4TAX (4829) or visit one of our Customer Service Walk-in Centers.

**What if my payment is late?** You must pay a 10% penalty and 1.5% interest for each full or partial month your payment is late. Payments are automatically applied to the oldest amount owed. If you do not pay the full amount, the real property may be sold at the annual Real Property Tax Sale. ***Your payment is late if the US Postal Service does not postmark it or if you have not paid at a D.C. Wachovia Bank by the due date on your bill.***

**What if I am a new homeowner?** Make sure there are no outstanding debts on any property you buy. Liens for any owed taxes, penalties, interest, and other charges stay with the land, even if ownership changes. If your mortgage company agrees to pay your bills, make sure the company pays promptly. If you are not sure about payment responsibility, contact your lender or mortgage company.



# *Tax Relief Programs*

**Homestead Deduction** (D.C. Official Code §47-849, et seq.) - If you qualify, the deduction reduces your taxable assessment by \$30,000. To qualify, you must own and occupy your home as your principal place of residence (domicile).

**Senior Citizen Property Tax Relief** (D.C. Official Code §47-863) - To qualify:

1. You must be at least 65 years old;
2. You must own and occupy the property as your principal place of residence (domicile);
3. The total adjusted gross income for all people living in the home, except renters, must be less than \$100,000 for the last calendar year; and
4. You must own 50 percent or more of the home.

**Owner-Occupant Residential Tax Credit** (D.C. Official Code §47-864) - The Council of the District of Columbia recently passed a law that limits the annual increase in your residential real property taxes, if you receive the Homestead Deduction. Currently, your tax bill cannot increase more than 25% in one year, no matter how much your property assessment increases. Properties that are sold, renovated, or rezoned do not qualify for this program.

**Historic Properties** (D.C. Official Code §47-842) - For special help for historic properties, contact the D.C. Historic Preservation Division, 941 North Capitol St. NE, 2nd Floor, Washington D.C. 20002, 202-442-4570.

**Lower Income Homeownership Tax Abatement** (D.C. Official Code §47-3501, et seq.) - New homeowners may get five-year tax abatements and exemptions from some or all recordation and transfer taxes. You must:

1. Buy your home for \$250,000 or less;
2. Occupy your home;
3. Apply for a Lower Income/Shared Equity Homeownership Exemption and an Exemption from Real Property Recordation and Transfer Tax when you record your deed; and
4. Meet the applications' income requirements.





Moderate income, first-time homebuyers in economic development zones may also qualify. Call the Recorder of Deeds at 202-727-5374 to learn more.

**Trash Collection Credit for Condominiums, Homeowners' and Cooperative Housing Associations** (D.C. Official Code §47-872 and §47-873) - Any real property owner who does not get District trash collection services may get this credit. To qualify, the property must meet one of the following:

1. Class 1 property
2. Owned as a condominium unit in a condominium of 4 or more units
3. Subject to a Homeowners' Association
4. A Cooperative Housing Association with 4 or more units

**Real Property Tax Exemptions** (D.C. Official Code §47-1002) - Property owned by certain charitable, religious, and educational groups and used according to code requirements may be exempt. If you have read the code and think your property qualifies, you should file an Application for Exemption from D.C. Real Property Tax (FP-300).

**Property Tax Deferral** (D.C. Official Code §47-845) - If your tax is more than 10% higher than your tax last year, you may defer payment on the amount over 10%. To qualify you must:

1. Own the home for at least 1 year and
2. Have occupied the home 12 months

The deferred amount is subject to an interest rate of 8%. The total amount deferred (plus interest) may not be more than 25% of the assessment. Owners rarely meet these qualifications.

Before you apply, do the calculations to see if you qualify. Apply by March 31 to defer the 1st-half-tax, or by September 15 to defer the 2nd-half tax.

# *For More Information*

Visit our Web site at: [www.cfo.dc.gov](http://www.cfo.dc.gov).  
Click on Taxpayer Services on the  
Real Property Service Center.  
Check your class and tax status, and  
property records;  
download forms; and  
research your property or  
other real property and sales information.

Please help ensure that the data we use  
to assess your property is accurate by reviewing your  
property information listed on our Web site.

For any changes or updates,  
call the Customer Service Center  
at 202-727-4TAX (4829).

## **Visit us:**

8:15 a.m. - 4: 30 p.m., Monday-Friday

941 North Capitol St., NE  
(1<sup>st</sup> floor, Office of Tax and Revenue)

or

3220 Pennsylvania Ave., SE  
(Municipal Services Building, rear of Penn Branch Shopping Center)



Government of the District of Columbia  
Anthony A. Williams  
Mayor

Office of the Chief Financial Officer  
Natwar M. Gandhi, CFO

Office of Tax and Revenue  
Phil Brand, DCFO