

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: December 21, 2004

SUBJECT: Fiscal Impact Statement: "Lot 878, Square 456 Tax Exemption Clarification Act of 2004"

REFERENCE: Bill 15-781 as Marked Up by the Committee on Finance and Revenue December 6, 2004

Conclusion

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan because the proposed legislation will result in no increase or decrease in local General Fund revenue.

Background

The proposed legislation clarifies existing law such that Lot 878 in Square 456 will be exempt from real property, personal property, and sales tax while business is conducted by a legitimate theatre company or the Company's subsidiary. In the current case, the property is owned, developed and operated by the Shakespeare Theatre Company of Washington D.C. which is a 501(c)(3) organization. They are opening the new Harman Center for the Arts at 600 F Street, N.W. The Union of Bricklayers and Craftworks is partnering with Shakespeare Theatre Company to develop a live performing arts theatre. Only the areas occupied by the theatre company will be exempt from taxation. The office spaces and parking garage will remain taxable.

Financial Plan Impact

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan because the proposed legislation will not result in real property tax revenue reductions or increases.