

**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  
Chief Financial Officer

**DATE:** February 27, 2003

**SUBJECT:** Fiscal Impact Statement: "Lincoln Square Theater Sales and Use Tax Exemption Act of 2003"

**REFERENCE:** Draft Legislation - No Bill Number Available

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**Conclusion**

**Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the Lincoln Square Theater Sales and Use Tax Exemption Act of 2003.**

The proposed tax exemption would be funded from reserves held for the Commercial Revitalization Program administered by the Deputy Mayor for Planning and Economic Development.

**Background**

The proposed legislation provides a temporary exemption from sales and use taxes on sales of tangible personal property up to \$800,000 for the new Lincoln Square Theater, located on Lot 0022 Square 0347 in the District. The abatement would commence in June 2003 and end 60 months later, in FY 2008.

**Financial Plan Impact**

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan. Money from the Commercial Revitalization Program has been identified to pay for this tax exemption. The proposed exemption would cost \$533,333 between FY 2003 through FY 2006. The remainder of the \$800,000 assistance would occur in FY 2007 and FY 2008.