

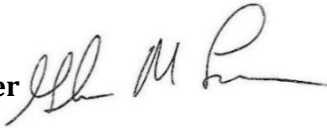
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

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

FROM: Glen Lee
Chief Financial Officer 

DATE: October 20, 2026

SUBJECT: Fiscal Impact Statement – Senior Property Tax Aggregation
Amendment Act of 2026

REFERENCE: Bill 26-360, Draft Committee Print as provided to the Office of Revenue
Analysis on October 5, 2026

Conclusion

Funds are not sufficient in the fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. The bill's implementation will reduce real property tax collections by \$119,000 in fiscal year 2027 and \$501,000 over the four-year financial plan period due to the expansion of property owners eligible for the tax relief opportunity.

Background

The District provides senior citizen or disabled property tax relief to resident property owners where the owner owns at least 50 percent and is an individual either 65 years of age or older or disabled. To be eligible the household must also have an adjusted gross income of less than \$163,500.¹ The property tax relief is a 50 percent reduction in their residential real property tax liability. In addition, the property's taxable assessment value is limited to two percent annual growth through a credit on the property tax bill.

The bill extends the senior citizen or disabled property owner tax relief to apply to any residence that is owned at least 50 percent by one or more residents in the property, each of whom is at least 65

¹ The codified \$125,000 income threshold has been increased annually by the senior or disabled cost-of-living adjustment since October 1, 2014.

The Honorable Phil Mendelson

FIS: Bill 26-360, "Senior Property Tax Aggregation Amendment Act of 2026," Draft Committee Print as provided to the Office of Revenue Analysis on October 5, 2026

years of age or disabled, rather than a single owner. The household must still meet the required income threshold.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. The bill allows multiple senior citizen or disabled owners of a residential property to aggregate their ownership shares to exceed the 50 percent ownership requirement to receive the senior citizen and disabled property owner tax benefit. This is estimated to increase the number of property owners who can receive the expanded property tax benefit by thirty to forty households, who currently would receive the less generous homestead deduction. Additional properties being taxed according to the senior citizen and disabled property owner tax relief will reduce real property taxes by \$119,000 in fiscal year 2027 and \$501,000 over the four-year financial plan period.

The Office of Tax and Revenue does not require additional budgeted resources to implement the aggregation of senior property owners to reach the 50 percent threshold to receive senior citizen property owner tax relief.

Bill 26-360, Senior Property Tax Aggregation Amendment Act of 2026					
Real Property Tax Revenue Reduction					
Fiscal Year 2027 – Fiscal Year 2030					
(\$ thousands)					
	FY 2027	FY 2028	FY 2029	FY 2030	Total
Real Property Tax Reduction	\$119	\$122	\$127	\$133	\$501