



AUTHORIZING LEGISLATION

DC Code § 47-461

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*** Current through Sept. 18, 2013, and through DC Act 19-682 ***

DIVISION VIII. GENERAL LAWS
TITLE 47. TAXATION, LICENSING, PERMITS, ASSESSMENTS, AND FEES
CHAPTER 4. COLLECTION AND DISBURSEMENT OF TAXES
SUBCHAPTER VI. TAX REVISION COMMISSION

DC Code § 47-461 (2013)

§ 47-461. Council findings

The Council of the District of Columbia finds that:

1. Many District residents and businesses are already overburdened by current taxation levels.
2. The health of the District's tax base and its potential for economic growth require the maintenance of a competitive tax burden between the District and neighboring jurisdictions.
3. Present tax policies and laws are in need of evaluation with respect to their equitability, productivity, efficiency, and effect on economic growth.
4. New or broadened revenue sources must be explored as possible substitutes for current uncompetitive rates to meet the District's revenue needs, but they must be evaluated carefully in terms of their equity and their effect on economic growth.
5. The last comprehensive study of District taxes occurred in 1998, and more recent tax changes have been somewhat piecemeal and sometimes made without regard to the system as a whole or knowledge of long-term effects.

HISTORY:

- June 13, 1996, DC Law 11-143, § 2, 43 DCR 2170; enacted, Apr. 9, 1997, DC Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, DC Law 19-21, § 7062(a), 58 DCR 6226.

NOTES:

- PRIOR CODIFICATIONS.—1981 Ed., § 47-461.
- EFFECT OF AMENDMENTS.—DC Law 19-21, in par. (5), substituted “in 1998” for “in 1977.”
- EMERGENCY LEGISLATION.—For temporary addition of sections 47-461 through 47-464, see § 2-5 of the Tax Revision Commission Establishment Emergency Act of 1996 (DC Act 11-259, April 18, 1996, 43 DCR 2166).
- LEGISLATIVE HISTORY OF LAW 11-143.—Law 11-143, the “Tax Revision Commission Establishment Act of 1996,” was introduced in Council and assigned Bill No. 11-383, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on March 5, 1996, and April 2, 1996, respectively. Signed by the Mayor on April 18, 1996, it was assigned Act No. 11-383 and transmitted to both Houses of Congress for its review. DC Law 11-143 became effective on June 13, 1996.

- LEGISLATIVE HISTORY OF LAW 19-21.—For history of Law 19-21, see notes under § 47-305.02.
- SHORT TITLE.—Short title: Section 7061 of DC Law 19-21 provided that subtitle G of title VII of the act may be cited as “Tax Revision Commission Reestablishment Act of 2011.”

§ 47-462. Tax Revision Commission—Established; Submission of recommendations

- a. There is established a Tax Revision Commission (“Commission”) with the purpose of preparing comprehensive recommendations to the Council and the Mayor which:
 1. Provide for fairness in apportionment of taxes;
 2. Broaden the tax base;
 3. Make the District’s tax policy more competitive with surrounding jurisdictions;
 4. Encourage business growth and job creation; and
 5. Modernize, simplify, and increase transparency in the District’s tax code.
- b. Specific functions of the Commission shall include the following:
 1. To analyze the District’s current tax system in terms of revenue productivity and stability, efficiency, equity, simplicity of administration, and effect upon the District’s economy;
 2. To propose innovative solutions for meeting the District’s projected revenue needs while recommending potential modifications to tax rates;
 3. To identify economic activities which are either beneficial or detrimental to the District’s economy and which should be either encouraged or discouraged through tax policy;
 4. To recommend changes in the District’s current tax policies and laws;
 5. To establish criteria and a conceptual framework for evaluating current and future taxes;
 6. To identify unused and duplicative tax credits and tax abatement and recommend policy changes to improve the way the District utilizes tax expenditures; and
 7. To analyze a proposal to tax the capital gain from the sale of common or preferred shares of a Qualified High Technology Company, as defined in § 47-1817.01(5)(A), at the rate of 3% if the:
 - a. Shares of the Qualified High Technology Company were held by the investor for at least 24 continuous months; and
 - b. Qualified High Technology Company was headquartered in the District of Columbia on the date of sale.
- c. The Commission shall submit its recommendations in the form of a report or reports similar in form and scope as those transmitted by the District of Columbia Tax Revision Commission by letter dated June 2, 1998, and entitled “Taxing Simply, Taxing Fairly.” The report or reports shall be accompanied by draft legislation, regulations, amendments to existing regulations, or other specific steps for implementing the recommendations.
- d. The Commission shall submit to the Council and the Mayor its final report no later than 9 months after the Commission’s appointment.

HISTORY:

- June 13, 1996, DC Law 11-143, § 3, 43 DCR 2170; enacted, April 9, 1997, DC Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, DC Law 19-21, § 7062(b), 58 DCR 6226; Sept. 26, 2012, DC Law 19-171, § 114(c), 59 DCR 6190; March 5, 2013, DC Law 19-211, § 2(a), 59 DCR 13281.

NOTES:

- PRIOR CODIFICATIONS.—1981 Ed., § 47-462.
- EFFECT OF AMENDMENTS.—DC Law 19-21 rewrote subsecs. (a)(1), (b)(6), and (d); in subsec. (a)(2), deleted “and” from the end; added subsecs. (a)(4) and (5); in subsec. (b)(2), substituted “recommending potential modifications to tax rates” for “enabling the possibility that general rates might be reduced”; and, in subsec. (c), substituted “June 2, 1998, and entitled ‘Taxing Simply, Taxing Fairly’” for “December 5, 1977, pursuant to Council Resolution 1-149.”
 - The 2012 amendment by DC Law 19-171 substituted a semicolon for the period at the end of (a)(3).
 - The 2013 amendment by DC Law 19-211 added (b)(7).

- EMERGENCY LEGISLATION. –See Historical and Statutory Notes following § 47-461.
- LEGISLATIVE HISTORY OF LAW 11-143. –For legislative history of DC Law 11-143, see Historical and Statutory Notes following § 47-461.
- LEGISLATIVE HISTORY OF LAW 19-21. –For history of Law 19-21, see notes under § 47-305.02.
- LEGISLATIVE HISTORY OF LAW 19-171. –Law 19-171, the “Technical Amendments Act of 2012,” was introduced in Council and assigned Bill No. 19-397. The Bill was adopted on first and second readings on March 20, 2012, and April 17, 2012, respectively. Signed by the Mayor on May 23, 2012, it was assigned Act No. 19-376 and transmitted to Congress for its review. DC Law 19-171 became effective on September 26, 2012.
- LEGISLATIVE HISTORY OF LAW 19-211. –Law 19-211, the “Technology Sector Enhancement Act of 2012,” was introduced in Council and assigned Bill No. 19-747. The Bill was adopted on first and second readings on Sept. 19, 2012, and Oct. 16, 2012, respectively. Signed by the Mayor on Nov. 1, 2012, it was assigned Act No. 19-513 and transmitted to Congress for its review. DC Law 19-211 became effective on Mar. 5, 2013.

§ 47-462. Tax Revision Commission—Established; Submission of recommendations

- a. The Commission shall be a nonpartisan body composed of 11 members, including a Chairperson.
- b. The members of the Commission shall be appointed as follows:
 1. The Mayor shall appoint five members, of whom:
 - A. Three shall be experts in the field of taxation, such as tax lawyers or public finance economists;
 - B. One shall be a community representative, such as a leader of a public-interest group, labor union, civic association, or a tenant or housing association; and
 - C. One shall be a representative of one or more important sectors of the business community, such as real estate, banking, retail, or high technology.
 2. The Chairman of the Council shall appoint five members, of whom:
 - A. Three shall be experts in the field of taxation, such as tax lawyers or public finance economists;
 - B. One shall be a community representative, such as a leader of a public-interest group, labor union, civic association, or a tenant or housing association; and
 - C. One shall be a representative of one or more important sectors of the business community, such as real estate, banking, retail, or high technology.
 3. The Chief Financial Officer, or his or her designee, shall be an ex officio member of the Commission.
 4. The Chairman of the Council shall appoint one member of the Commission as the Chairperson of the Commission.
- c. All appointments shall be made within 60 days of [Sept. 14, 2011]. A vacancy shall be filled in the same manner in which the initial appointment was made.
- d. The Commission, by a majority vote, shall select a Director who shall perform the duties required for the day-to-day functioning of the Commission as considered necessary by the members, including appointment of staff, selection of consultants, and the administration of meetings and report production.
- e. Each member of the Commission shall serve without compensation. Each member may be reimbursed for actual expenses pursuant to § 1-611.08.F. Members of the Commission shall act with the utmost integrity and professionalism. Each member shall avoid conflicts of interest and may seek the advice of the Office of the Attorney General to ensure that his or her duties are being discharged ethically.

HISTORY:

- June 13, 1996, DC Law 11-143, § 4, 43 DCR 2170; enacted, April 9, 1997, DC Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, DC Law 19-21, § 7062(c), 58 DCR 6226; Sept. 26, 2012, DC Law 19-171, § 114(p), 59 DCR 6190.

NOTES:

- **PRIOR CODIFICATIONS.**—1981 Ed., § 47-463.
- **EFFECT OF AMENDMENTS.**—DC Law 19-21 rewrote the section, which formerly read:
 - “a. The Commission shall be a nonpartisan Commission composed of 17 members drawn from experts in the field of taxation such as tax lawyers and public finance economists; several community representatives such as members of labor unions, public interest groups, civic associations, and tenant and housing associations; and representatives of important sectors of the business community such as real estate, banking, retailing, and public utilities.
 - “b. Eight members of the Commission shall be appointed by the Mayor, and nine members shall be appointed by the Council. The Council shall appoint the Chairperson of the Commission from among the Council-appointed members of the Commission. All appointments shall be made within 60 days of June 13, 1996. A vacancy shall be filled in the same manner in which its initial appointment was made.
 - “c. The Commission, by a vote in which a majority of the members are in the affirmative, may select a Director who shall perform the duties required for the day-to-day functioning of the Commission as deemed necessary by the members, including, but not limited to, appointment of staff and selection of consultants.
 - “d. The Commission may appoint task forces composed of representatives from the District of Columbia, the State of Maryland, and the Commonwealth of Virginia.
 - “e. Each member of the Commission shall serve without compensation. Each member, however, may be reimbursed for actual expenses pursuant to section 1108 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (§ 1-611.08).”
- The 2012 amendment by DC Law 19-171 substituted “§ 1-611.08” for “section 1108 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (§ 1-611.08)” in (e).
- **TEMPORARY AMENDMENT OF SECTION.**—For temporary (225 day) amendment of section, see § 2 of Tax Revision Commission Establishment Temporary Amendment Act of 1996 (DC Law 11-224, April 9, 1997, law notification 44 DCR 2582). For temporary (225 day) amendment of section, see § 2 of Tax Revision Commission Establishment Temporary Amendment Act of 1998 (DC Law 12-79, April 9, 1997, law notification 45 DCR 2114).
- **EMERGENCY LEGISLATION.**—See Historical and Statutory Notes following § 47-461.

For temporary amendment of section, see § 2 of the Tax Revision Commission Establishment Emergency Amendment Act of 1996 (DC Act 11-435, Oct. 30, 1996, 43 DCR 6184), and § 2 of the Tax Revision Commission Establishment Congressional Review Emergency Amendment Act of 1997 (DC Act 12-30, March 11, 1997, 44 DCR 1902).
- **LEGISLATIVE HISTORY OF LAW 11-143.**—For legislative history of DC Law 11-143, see Historical and Statutory Notes following § 47-461.
- **LEGISLATIVE HISTORY OF LAW 19-21.**—For history of Law 19-21, see notes under § 47-305.02.
- **LEGISLATIVE HISTORY OF LAW 19-171.**—Law 19-171, the “Technical Amendments Act of 2012,” was introduced in Council and assigned Bill No. 19-397. The Bill was adopted on first and second readings on March 20, 2012, and April 17, 2012, respectively. Signed by the Mayor on May 23, 2012, it was assigned Act No. 19-376 and transmitted to Congress for its review. DC Law 19-171 became effective on Sept. 26, 2012.

§ 47-464. Tax Revision Commission – Authority

- a. The Chairperson of the Commission, or his or her designated representative, who must be a member of the Commission, shall convene all meetings of the Commission. Six members of the Commission shall constitute a quorum. Voting by proxy shall not be permitted.
- b. The Commission shall have the authority to create and operate under its own rules of procedure, consistent with this subchapter and Chapter 5 of Title 2 [§ 2-501 et seq.].
- c. All recommendations and reports prepared and submitted by the Commission shall be a matter of public record.
- d. The Commission, or committees thereof, may, for the purpose of carrying out the provisions of this subchapter, hold hearings, and shall sit and act at such times and places and administer oaths as required.
- e. The Commission shall have the authority to request directly from each department, agency, or instrumentality of the

District Government, and each department, agency, or instrumentality is hereby authorized to furnish directly to the Commission upon its request, any information reasonably considered necessary by the Commission to carry out its functions under this subchapter.

- f. The Commission is authorized to use space and supplies owned or rented by the District government. The Commission is further authorized to use staff loaned from the Council or detailed by the Mayor for such purposes consistent with this subchapter as the Commission may determine.
- g. The Commission's operations shall be funded by annual appropriations, private sector assistance, or both.
- h. If a special fund is established by the Commission for the receipt of operating donations from non-government sources, the fund shall be administered in accordance with established funding and auditing procedures of the District government. The expenditure of such donations shall not be subject to appropriation. The Commission shall keep a record, available to the public for inspection, of all such donations and any substantial non-government in-kind contributions received. The record shall include the full name, address, and occupation or type of business of each donor. "Substantial non-government in-kind contributions" shall include any service reasonably valued at more than \$ 5,000 which is received from any source other than the District or federal government.

HISTORY:

- June 13, 1996, DC Law 11-143, § 5, 43 DCR 2170; enacted, April 9, 1997, DC Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, DC Law 19-21, § 7062(d), 58 DCR 6226; Sept. 26, 2012, DC Law 19-171, § 114(q), 59 DCR 6190.

NOTES:

- PRIOR CODIFICATIONS.—1981 Ed., § 47-464.
- EFFECT OF AMENDMENTS.—DC Law 19-21, in subsec. (a), substituted "Six members" for "Seven members"; and, in subsec. (e), substituted "information reasonably considered" for "information deemed".
The 2012 amendment by DC Law 19-171 substituted "this subchapter" for "this act" in (b), (d), (e), and (f); and substituted "Chapter 5 of Title 2" for "the Administrative Procedure Act, approved Oct. 21, 1968 (§ 2-501 et seq.)" in (b).
- EMERGENCY LEGISLATION.—See Historical and Statutory Notes following § 47-461.
- LEGISLATIVE HISTORY OF LAW 11-143.—For legislative history of DC Law 11-143, see Historical and Statutory Notes following § 47-461.
- LEGISLATIVE HISTORY OF LAW 19-21.—For history of Law 19-21, see notes under § 47-305.02.
- LEGISLATIVE HISTORY OF LAW 19-171.—Law 19-171, the "Technical Amendments Act of 2012," was introduced in Council and assigned Bill No. 19-397. The Bill was adopted on first and second readings on March 20, 2012, and April 17, 2012, respectively. Signed by the Mayor on May 23, 2012, it was assigned Act No. 19-376 and transmitted to Congress for its review. DC Law 19-171 became effective on Sept. 26, 2012.
- REFERENCES IN TEXT.—"This act," referred to in subsections (b), (d), (e), and (f) is DC Law 11-143, which is codified at §§ 47-461 through 47-815.