

  
Councilmember Jack Evans

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend section 47-4301 of the District of Columbia Official Code to conform to the federal statute of limitations in the case of overstatement of basis to clarify that a 6-year statute of limitations on assessment applies to an overstatement of unrecovered cost or other basis.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Statute of Limitations Clarifying Amendment Act of 2016”.

Sec. 2. Section 47-4301(d)(2) of the District of Columbia Official Code is amended as follows:

(a) The existing text is designated as sub-paragraph (A).

(b) A new sub-paragraph (B) is added to read as follows:

“(B) For purposes of sub-paragraph (A), an understatement of gross income by reason of an overstatement of unrecovered cost or other basis is an omission from gross income.

(c) New sub-sub paragraph (i) is added to read as follows:

“(i) Sub-paragraph (B) shall apply to returns filed:

(a) After the effective date of the Statute of Limitations Clarifying Amendment Act of 2016, as introduced on \_\_\_\_\_ (“2016 Clarifying Act”); and

(b) On or before the effective date of the 2016 Clarifying Act if the applicable assessment period provided for in this section 47-4301 (determined without regard to

30 such amendments) for assessment of the taxes with respect to which such return relates has not  
31 expired as of such date.

32           Sec. 3. Fiscal impact statement.

33           The Council adopts the fiscal impact statement in the committee report as the fiscal  
34 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
35 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

36           Sec. 4. Effective date.

37           This act shall take effect following approval by the Mayor (or in the event of veto by the  
38 Mayor, action by the Council to override the veto), a 30-day period of Congressional review as  
39 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
40 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c) (1)), and publication in the District of  
41 Columbia Register.