

A RESOLUTION

20-751

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

December 17, 2014

To declare the existence of an emergency with respect to the need to clarify the applicability date of the market-based sourcing legislation and the tax sale interest rate to be paid to certain purchasers; and to amend the Fiscal Year 2015 Budget Support Act of 2014 to provide grant-making authority for a specified purpose to the Deputy Mayor for Planning and Economic Development for Fiscal Year 2015.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Market-based Sourcing Inter Alia Clarification Emergency Declaration Resolution of 2014”.

Sec. 2. (a) The original legislation, the Fiscal Year Budget Support Act of 2014, enacted on September 23, 2014 (D.C. Act 20-424; 61 DCR 9990), was intended to clarify the tax sale interest rate to be paid to certain purchasers at 1.5%.

(b) The original legislation was intended to be permanent for the tax years beginning after December 31, 2014, and coordinated with the single-sales factor legislation and other franchise tax legislation, all of which are applicable for tax years beginning after December 31, 2014.

(c) If the market-based sourcing provisions are made applicable on October 1, 2014, it will trigger part-year calculations. For example, taxpayers will have to use the cost-of-performance approach for part of the year and the market-based-sourcing approach for part of the year, which will create a compliance burden for both taxpayers and the tax administration.

(d) The original legislation was intended to provide an additional grant award amount to the Washington, DC Economic Partnership for Fiscal Year 2015.

Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Market-Based Sourcing Inter Alia Clarification Emergency Amendment Act of 2014 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.