

AN ACT

D.C. ACT 21-542

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

NOVEMBER 18, 2016

To amend section 47-4301 of the District of Columbia Official Code to conform District law to the federal statute of limitations in the case of overstatement of basis to clarify that the 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 subparagraph (A).

(b) A new subparagraph (B) is added to read as follows:

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

“(ii) This subparagraph shall apply to returns filed:

“(I) After the effective date of the Statute of Limitations Clarifying Amendment Act of 2016, passed on 2nd reading on November 1, 2016 (Enrolled version of Bill 21-763) (“2016 Clarifying Act”); and

“(II) On or before the effective date of the 2016 Clarifying Act if the applicable assessment period provided for in this section for assessment of the taxes with respect to the return has not expired as of the date return was filed.”.

Sec. 3. Fiscal impact statement.

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