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2 Chairman Phil Mendelson


Councilmember Jack Evans

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8 A BILL
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11 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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14 To amend Chapter 20 of Title 47 of the District of Columbia Official Code to require that internet
15 sales tax be collected from online retailers, to direct generated revenues to lower the
16 commercial property tax rate; and to repeal the Internet Sales Tax, Homelessness
17 Prevention, and WMATA Momentum Fund Establishment Act of 2013.
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19 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
20 act may be cited as the “Internet Sales Tax Amendment Act of 2018”.

21 Sec. 2. Chapter 20 of Title 47 of the District of Columbia Official Code is amended as
22 follows:

23 (a) The table of contents is amended by adding a new section designation to read as
24 follows:

25 “47-2034. Dedication of internet sales tax revenue for commercial real property tax rate
26 reduction”

27 (b) A new section 47-2034 is added to read as follows:

28 “§ 47-2034. Dedication of sales tax revenue for commercial real property tax rate reduction.

29 "(a) Any seller selling tangible personal property, products transferred electronically, or
30 services for delivery into the District of Columbia, who does not have a physical presence in the
31 state, shall collect and remit the sales tax as required pursuant to § 47-2002(a) and shall follow all

32 applicable procedure and requirements of law as if the seller had a physical presence in the District
33 of Columbia, provided that the seller meets either of the following criteria in the previous calendar
34 year or the current calendar year:

35 “(1) The seller’s annual gross revenue from the sale of tangible personal property,
36 any product transferred electronically, or services delivered into the District of Columbia exceeds
37 one hundred thousand dollars: or

38 “(2) The seller sold tangible personal property, any product transferred
39 electronically, or services for delivery into the District of Columbia in two hundred or more
40 separate transactions in a 12-month period.

41 “(b) A seller is not required to collect or remit the sales tax required by subsection (a) of
42 this section before the effective date of this act.

43 “(c) Notwithstanding any other provision of law, beginning in fiscal year 2019 the sales tax
44 revenue generated pursuant subsection (a) of this section shall be allocated as follows:

45 “(1) Reduce the rate from \$1.89 to \$1.85 for each \$100 of assessed value if the real
46 property’s assessed value is greater than \$10 million; and

47 “(2) All remaining additional revenues to the General Fund of the District of
48 Columbia.”.

49 Sec. 3. The Internet Sales Tax, Homelessness Prevention, and WMATA Momentum Fund
50 Establishment Act of 2013, effective December 24, 2013 (D.C. Law 20-61; to be codified at D.C.
51 Official Code § 47-3931 *et seq.*) is repealed.

52 Sec. 4. Fiscal impact statement.

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

56 Sec. 5. Effective date.

57 This act shall take effect following approval by the Mayor (or in the event of veto by the
58 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
59 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
60 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
61 Columbia Register.