

COUNCIL OF THE DISTRICT OF COLUMBIA

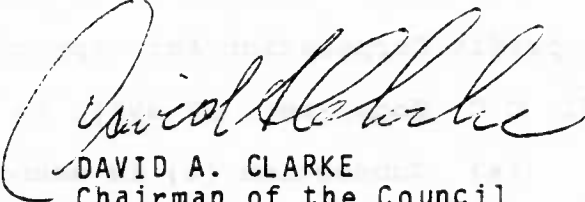
NOTICE

D.C. LAW 5-113

"District of Columbia Revenue Act of 1984".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 5-370 on first and second readings, June 26, 1984 and July 10, 1984, respectively. Following the signature of the Mayor on July 13, 1984, this legislation was assigned Act No. 5-164, published in the August 10, 1984 edition of the D.C. Register, (Vol. 31 page 3974) and transmitted to Congress July 19, 1984 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 5-113, effective September 26, 1984.



DAVID A. CLARKE  
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

July	23,24,25,26,27,30,31
August	1,2,3,6,7,8,9,10
September	5,6,7,10,11,12,13,14,17,18,19,20,21,24,25

D.C. LAW 5 - 113

AN ACT

EFFECTIVE DATE SEP 26 1984

D.C. ACT 5-164

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JUL 13 1984

To amend An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and three, and for other purposes, the District of Columbia Revenue Act of 1937, the District of Columbia Revenue Act of 1949, the District of Columbia Business Corporation Act, the District of Columbia Nonprofit Corporation Act, the Hotel Occupancy and Surtax on Corporations and Unincorporated Business Tax Act of 1977, A Regulation Governing Vending Business in Public Space, Sub-surface Space Rental Rate, and Surface Space Rental Rate to enhance the revenues of the District of Columbia.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "District of Columbia Revenue Act of 1984".

Title 1 Amendments to Nonprofit Corporation and Business Corporation Acts

Sec. 101. Section 92 of the District of Columbia Nonprofit Corporation Act, approved August 6, 1962 (76 Stat. 301; D.C. Code, sec. 29-593), is amended as follows:

D.C. Code,  
sec. 29-59  
(1985 supp

(a) Subsection (o) is amended by striking the word "including" and inserting the word "excluding" in its place.

(b) By adding a new subsection to read as follows:

"(r-1) Filing an annual report of a domestic or foreign corporation, \$25;"

Sec. 102. Section 121 of the District of Columbia

D.C. Code,  
sec. 29-  
399.22  
(1985 supp

Business Corporation Act, approved June 8, 1954 (68 Stat. 229; D.C. Code, sec. 29-399.22), is amended as follows:

(a) Subsection (d) is amended by striking "25" and inserting "50" in its place.

(b) Subsection (e) is amended to read as follows:

"(1) Each domestic corporation organized, incorporated or reincorporated under the provisions of this Act shall pay an annual report fee based upon the amount of its total authorized capital on the 15th day of March immediately preceding the date the annual report will be due. The amount of the annual report fee shall be as follows:

"(A) where the total authorized capital stock is less than \$25,000, \$25;

"(B) where the total authorized capital stock is more than \$24,999.99 and less than \$100,000.01, \$50;

"(C) where the total authorized capital stock is more than \$100,000 and less than \$300,000.01, \$100;

"(D) where the total authorized capital stock is more than \$300,000 and less than \$500,000.01, \$200;

"(E) where the total authorized capital stock is more than \$500,000 and less than \$1,000,000.01, \$300; and

"(F) for each \$1,000,000 of authorized capital stock in excess of the first \$1,000,000 of authorized capital stock, \$125.

"(2) For the purpose of determining the amount of

the annual report fee established in this subsection, shares without a par value shall be regarded as having a par value of \$100 each."

Title 2 Amendments to Sales and Use Tax

Sec. 201. The District of Columbia Revenue Act of 1949, approved May 27, 1949 (63 Stat. 112; D.C. Code, sec. 47-2001 et seq.), is amended as follows:

(a) Section 114(a)(1) (D.C. Code, sec. 47-2001(n)(1)(A)) is amended to read as follows:

D.C. Code,  
sec. 47-2001  
(1985 supp.)

"(A) Food or drink served, prepared for immediate consumption, or sold in or by restaurants, lunch counters, cafeterias, hotels, snack bars, caterers, boarding houses, carryout shops, or other like places of business, and food or drink sold ready for immediate consumption from carts, motor vehicles, or any other form of vehicle. Hot or cold sandwiches are considered prepared foods."

"(E) Food or drink when sold from vending machines."

(b) Section 125(3)(A) (D.C. Code, sec. 47-2002(3)(A)) is amended to read as follows:

D.C. Code,  
47-2002  
(1985 supp.)

"food or drink prepared for immediate consumption, or sold as described in section 114(a)(1)(A) of this title;"

(c) Section 125(4) (D.C. Code, sec. 47-2002(4)) is repealed.

D.C. Code,  
47-2002  
(1985 supp.)

(d) Section 114(b)(5) (D.C. Code, sec. 47-2001(n)(2)(E)) is amended by inserting the letter "(A)" after the figure "(1)".

D.C. Code,  
47-2001  
(1985 supp.)

(e) Section 212(3)(A) (D.C. Code, sec. 47-2202(3)(A)) is amended to read as follows:

D.C. Code,  
47-2202  
(1985 supp.)

"food or drink served, prepared for immediate consumption or sold as described in section 114(a)(1)(A) of title I;".

(f) Section 212(4) (D.C. Code, sec. 47-2202(4)) is repealed.

D.C. Code, sec  
47-2002  
(1985 supp.)

Sec. 202. Section 201 shall take effect October 1, 1984.

Note, D.C. Code  
secs. 47-2001,  
-2002, & -2202  
(1985 supp.)

### Title 3 Amendments to Income and Franchise Tax

Sec. 301. Section 305 of the Hotel Occupancy and Surtax on Corporation and Unincorporated Business Tax Act of 1977, effective March 16, 1978 (D.C. Law 2-58; D.C. Code, sec. 47-3215), is amended by striking the phrase, "no more than fifty percent (50%)" and inserting the phrase "up to one hundred percent (100%)" in its place.

D.C. Code, sec  
47-3215  
(1985 supp.)

Sec. 302. The District of Columbia Income and Franchise Tax Act of 1947, approved July 16, 1947 (61 Stat. 328; D.C. Code, sec. 47-1801.1 et seq.), is amended as follows:

(a) Title VII (D.C. Code, sec. 47-1807.1 et seq.) is amended as follows:

(1) Sections 1 and 2 (D.C. Code, secs. 47-1807.1 and 1807.2) are amended to read as follows:

D.C. Code, sec  
47-1807.1  
(1985 supp.)

"Sec. 1. DEFINITIONS. --- For purposes of this title, the words:

"(a) 'corporation' shall, for taxable years beginning after December 31, 1980, include financial institutions.

"(b) 'taxable income' mean the amount of net income derived from sources within the District within the meaning

of title X of this article.

"(c) 'taxable period' mean a taxable year or a portion of a taxable year occurring after September 30, 1984.

"SEC. 2. IMPOSITION OF TAX.---

D.C. Code, se  
1-1807.2  
(1985 supp.)

"(a) Except as exempted under title II, for the privilege of carrying on or engaging in any trade or business within the District and of receiving income from sources within the District, there is levied:

"(1) for 1 taxable year beginning after December 31, 1974, a tax at the rate of 12 per centum upon the taxable income of every corporation, whether domestic or foreign;

"(2) for the taxable years beginning after December 31, 1975, a tax at the rate of 9 per centum upon the taxable income of every corporation, whether domestic or foreign, except that, effective October 1, 1984, the rate of tax shall be 10 per centum upon the taxable income for any taxable period; and

"(3) for the taxable years beginning after December 31, 1975, a surtax at the rate of 10 per centum of the tax determined under paragraph (2) of this subsection, except that for any taxable period after September 30, 1984, the rate of surtax shall be 5 per centum of the tax determined under paragraph (2).

"(b) The minimum tax payable under this section shall be \$100. Corporations or financial institutions including International Banking Facilities shall not be exempt from the minimum tax payable under this section even if the

business or source income is exempt under other provisions of this article.

"(c) The taxes imposed by this section shall, during the 3 tax years beginning after June 30, 1981, be subject to the transition rules provided in title III of the District of Columbia Financial Institutions Tax Act of 1980, effective September 13, 1980 (D.C. Law 3-95; D.C. Code, sec. 47-2508)."

(2) Section 3 (D.C. Code, sec. 47-1807.3) is repealed.

Repeal,  
D.C. Code, sec  
47-1807.3  
(1985 supp.)

(b) Title VIII (D.C. Code, sec. 47-1808.1 et seq .) is amended as follows:

(1) Section 2 (D.C. Code, sec. 47.1808.2) is amended to read as follows:

D.C. Code, sec  
47-1808.2  
(1985 supp.)

"For purposes of this title, the words

"(a) 'taxable income' mean the amount of net income derived from sources within the District, within the meaning of title X, in excess of the exemption granted under section 4.

"(b) 'taxable period' mean a taxable year, or a portion of a taxable year, occurring after September 30, 1984."

(2) Section 3 (D.C. Code, sec. 47.1808.3) is amended to read as follows:

D.C. Code, sec  
47-1808.3  
(1985 supp.)

"(a) Except as exempted under title II, for the privilege of carrying on or engaging in any trade or business within the District and of receiving income from sources within the District, there is levied:

"(1) for one taxable year beginning after

December 31, 1974, a tax at the rate of 12 per centum upon the taxable income of every unincorporated business, whether domestic or foreign;

"(2) for the taxable years beginning after December 31, 1975, a tax at the rate of 9 per centum upon the taxable income of every unincorporated business, whether domestic or foreign, except that, effective October 1, 1984, the rate of tax shall be 10 per centum upon the taxable income for any taxable period; and

"(3) for the taxable years beginning after December 31, 1975, a surtax at the rate of 10 per centum of the tax determined under paragraph (2), except that for any taxable period after September 30, 1984, the rate of surtax shall be 5 per centum of the tax determined under paragraph (2).

"(b) The minimum tax payable under this section shall be \$100."

(c) Section 14(b)(2)(A) of title XII (D.C. Code, sec. 47-1812.14(b)(1)(B)(i)) is amended by striking the 2 phrases "80 per centum" and inserting the phrase "90 per centum" in their places.

D.C. Code, sec.  
47-1812.14  
(1985 supp.)

(d) Section 1(d) of title XIII (D.C. Code, sec. 47-1813.1(d)) is amended by adding after the phrase "80 per centum of the tax" the phrase "imposed under section 3 of title VI of this article".

D.C. Code, sec.  
47-1813.1  
(1985 supp.)

Sec. 303. Section 302(c) and (d) shall apply to payments due after December 31, 1984.

Note, D.C. Co.  
secs. 47-1812  
& -1813.1  
(1985 supp.)

Title 4 Insurance Retaliatory Tax



Sec. 401. Title 2 of the District of Columbia Revenue Act of 1937, approved August 17, 1937 (50 Stat. 676; D.C. Code, sec. 47-2601 et seq.), is amended by redesignating sections 1 through 7 to be sections 3 through 9, by redesignating section 8 to be section 11, and by adding new sections 1, 2, 10, and 12, so that title 2 is amended to read as follows:

"SEC. 1. Definitions. "For the purposes of this title, the term:

New, D.C. Code  
sec. 47-2601  
(1985 supp.)

"(1) 'Alien' means organized under the laws of any country other than the United States or a territory or insular possession of the United States.

"(2) 'District' means the District of Columbia.

"(3) 'Domestic' means organized under the laws of the District of Columbia or under federal legislation.

"(4) 'Foreign' means organized under the laws of any state of the United States, or of any territory or insular possession of the United States.

"(5) 'Foreign country' means a country where an insurer, not organized under the laws of the United States, is organized or formally located.

"(6) 'Mayor' means the Mayor of the District of Columbia.

"(7) 'Net premium receipts' or 'consideration received' means gross premiums or consideration received less the sum of the following:

"(A) premiums received for reinsurance assumed and consideration returned on contracts not taken or