

CHC at CAI Convention



Julie Dymowski and Joe Douglas from Whiteford Taylor & Preston (CHC Counsel) visit Nancy Skinkle and William Kammerer, CHC Board members, at Coalition booth

CHC Board members, William Kammerer (The Chesterfield), Nancy Skinkle (The Broadmoor), and Mike O'Dell (Harbour Square) staffed the Coalition's booth at the CAI Annual Convention held on, Saturday, February 18, at the DC Convention Center. They talked with many people representing various services important to our members including management, maintenance and financing. Several vendors expressed interest in working with the Coalition to reach our members via links on our Web site, CoopsDC.com, and newsletter. Several have been added to our Web site. It was also nice to talk with our members who stopped by to say hello and talk about co-op issues. CHC thanks the CAI for inviting us to participate as an "Allied Partner."

Smithsonian Tour of DC Cooperatives

Tour sold out quickly!

The DC Cooperative Housing Coalition is pleased to announce that The Smithsonian Associates May 20 tour of several of the District's housing cooperatives sold out shortly after it appeared in the Smithsonian's March Program Guide. A full report will appear in the next issue of CHC's *Member News*.

Survey Says...

A new members survey coming!

The Coalition's first survey proved popular among our members and provided insight into what others were facing and how they were addressed various issues. Several members asked that another survey be conducted and also provided topics they wanted covered. A new survey is being developed and will be mailed soon with results reported in the next issue of *Member News*.

Tax Rate Reduced, Homestead Increased

Check your paperwork

Because of two significant changes, cooperatives should see some relief in their real estate tax bill. The city reduced the taxation

rate from 96 cents per assessed \$100 to 92 cents per assessed \$100 and it increased the value of the Homestead Deduction from \$38,000 to \$60,000. However, how much is ultimately owed is dependent upon a co-op's assessed valuation and how many homestead deductions it supplies to reduce its assessed valuation.

District of Columbia law provides that all taxable real property in the District is subject to an annual levy of tax. Property owners receive a property tax bill twice a year. With ever increasing assessments, (*see related story, on page 4*) cooperatives need to be ever vigilant in maintaining an accurate accounting of their homestead applications especially since cooperatives and condominiums receive an additional tax credit tied to each homestead—a trash credit in lieu of the District having to collect the trash.

This year, a homestead deduction is more valuable as each one supplied by the co-op to the city's Office of Taxation and Revenue reduces the assessed value by \$60,000—that's a tax savings of \$663 for each deduction (\$576 in real estate taxes + \$87 trash credit). (*Continued, Homestead Deductions, Page 2*)

For example, a 4-unit cooperative with four homestead deductions can reduce its tax liability by \$2,652 and a large, 500-unit co-op can potentially reduce its tax bill by \$331,500.

Tax Bill Due Dates

Real property tax bill payments are due twice a year as follows:

1st half covers October 1 through March 31 and the tax for the 1st half is due by March 31.

2nd half covers April 1 through September 30 and the tax due must be received by September 30.

Homestead Deduction

This deduction reduces your real property's assessed value by \$60,000 prior to computing the yearly tax liability (previously \$38,000). The homestead deduction is limited to residential property. To qualify:

1. An application must be on file with the Office of Tax and Revenue;
2. The property must be occupied by the owner/applicant;
3. The property must be the principal residence (domicile) of the owner/applicant;
4. In the case of a cooperative housing association, the unit must be occupied by the shareholder (or member) as his/her principal residence (domicile), and the deduction is granted to the cooperative (which will supply and collect the applications).

The Homestead Deduction and Senior Citizen or Disabled Property Owner Application is available on the web on the Real Property Tax forms page.

In the case of property transferred to a trust, the property may qualify for the homestead deduction if:

1. The property was eligible for the homestead deduction before the transfer;
2. The property is transferred to a revocable trust;
3. The transfer is not for money (or other consideration);
4. The property remains the principal place of residence of the applicant//transferor/trustor before and after the transfer.

If a properly completed and approved application is filed from October 1 to March 31, the property will receive the deduction for the entire tax year (and for all tax years in the future). If a properly completed and approved application is filed from April 1 to September 30, the property will receive one-half of the deduction reflected on the second installment (and full deductions for all tax years in the future).

Assessment Cap Credit

The housing market in the District of Columbia has caused a surge in the assessed value of residential real property. In an effort to limit the increase of real property taxes for homeowners, eligible homeowners will be provided an Assessment Cap Credit.

The Assessment Cap Credit currently provides that a real property tax bill will not increase by more than 10 percent above the prior year's real property tax bill. This credit does not reduce the assessed value of your property on the tax roll or the assessment notice, but it will appear as an automatic credit against your real property tax bill. The credit only applies to the principal residence of the property owner (homestead property) and is based on the total assessment for the dwelling and land associated with the dwelling. For more information, property owners may call the Customer Service Center at (202) 727-4TAX (727-4829).

If you have been denied the Assessment Cap Credit and you believe that you are eligible, please contact the Homestead Unit, PO Box 176, Washington, DC 20044 or call Customer Service at (202) 727-4TAX

Trash Credit

A trash credit deduction may be issued for owners of cooperative dwelling units, condominiums, or certain homeowners who pay for garbage collection instead of receiving city garbage service. The trash credit is \$87 for 2006. In order to qualify, the following circumstances must be met:

1. The property must be a cooperative dwelling unit.
2. The dwelling unit must be located in a cooperative
(Continued, Page 3)

housing association building with more than 4 dwelling units.

3. The cooperative housing association must not receive trash collection services from the District of Columbia.
4. The property must be occupied by the owner and used for nontransient residential purposes.

In effect, therefore, trash credits are linked to the number of homestead deduction applications on file with the city.

Senior Citizen or Disabled Property Owner Tax Relief

When a property owner turns 65 years of age or older, or when he or she is disabled, he or she may file an application immediately for disabled or senior citizen property tax relief. This benefit reduces a qualified property owner's property tax by 50 percent. If the property owner lives in a cooperative housing association, the cooperative will supply and collect the applications. The following guidelines apply:

1. The disabled or senior citizen must own 50 percent or more of the property or cooperative unit;
2. The total adjusted gross income of everyone living in the property or cooperative unit, excluding tenants, must be less than \$100,000 for the prior calendar year; and

3. The same requirements for application, occupancy, ownership, principal residence (domicile), number of dwelling units, cooperative housing associations and revocable trusts apply as in the homestead deduction.

The Homestead Deduction and Senior Citizen or Disabled Property Owner Application is available on the web on the Real Property Tax forms page.

For 2006, this tax relief measure will be applied to the first-half 2006 tax bill of those applicants who file by May 1. Applications filed after that date will be eligible for tax relief beginning with their second-half 2006 taxes.

Thereafter, if a properly completed and approved application is filed from October 1 to March 31, the property will receive the deduction for the entire tax year (and for all tax years in the future). If a properly completed and approved application is filed from April 1 to September 30, the property will receive one-half of the deduction reflected on the second installment (and full deductions for all tax years in the future).

Homestead Deduction/Disabled or Senior Citizen Tax Relief Confirmation

Properties will continue to receive the Homestead Deduction and/or disabled or senior citizen tax relief

as long as there is no change in eligibility, such as property ownership or owner-occupancy status. Owners of properties receiving these tax benefits are responsible for notifying the agency when eligibility ceases. Written notice, including the square and lot of the property, must be sent within 30 days of a change in ownership or owner-occupancy status to:

Office of Tax and Revenue
Real Property Tax Administration
941 North Capitol Street, NE,
Washington, DC 20002
(202) 727-4TAX

The Office of Tax and Revenue conducts periodic verification and compliance checks by requiring property owners to confirm their eligibility for the homestead deduction and/or disabled or senior citizen tax relief. Owners who receive a reconfirmation form should complete the form and return it to Office of Tax and Revenue. Failure to return a completed and signed copy of the reconfirmation form will result in the cancellation of the Homestead Deduction and/or disabled or senior citizen tax relief benefits.

Anyone with questions about the reconfirmation process or their eligibility should contact the Office of Tax and Revenue's Customer Service Center at (202) 727-4TAX.

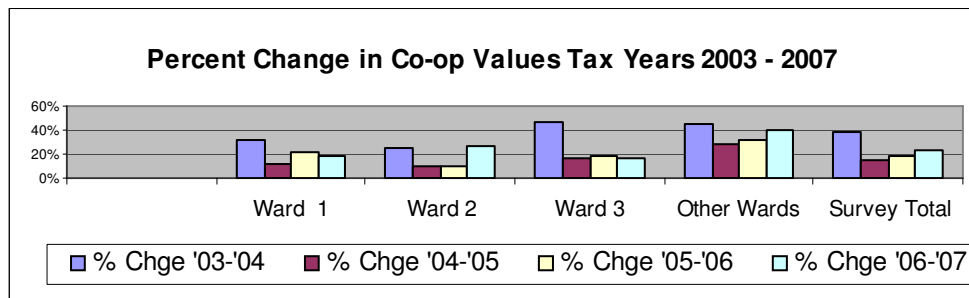
On the web: <http://cfo.dc.gov/otr>

Co-ops Continue to Increase in Value

Since 2002, the Coalition has been tracking the assessments of 66 DC housing cooperatives. For the most recent five-year period (Tax Year 2003-2007), these cooperatives collectively saw their assessments increase from \$705 million to \$1.6 billion dollars. They first topped \$1 billion in tax year 2004 and have since increased in value by an additional half billion dollars since then. As described in the article on page 1, "Tax Rate Reduced, Homestead Increased," cooperatives have some ability to control the amount they ultimately pay in real estate taxes by making sure they track homestead exemptions and timely report these exemptions to the Office of Taxation and Revenue.

Assessment Survey: Cooperatives for Tax Year 2007

No.Street	Ward	2003	2004	% Chg. 03-'04	2005	% Chg. 04-'05	2006	% Chg. 05-'06	2007	% Chg. 06-'07	% Chg. 03-'07
1860Clydesdale St, NW	1	\$1,223,351	\$1,526,230	25%	\$1,973,230	29%	\$2,949,420	49%	\$3,168,720	7%	259%
2370Champlain St, NW	1	\$1,696,609	\$3,173,350	87%	\$3,672,810	16%	\$4,193,070	14%	\$4,775,350	14%	281%
263315th St, NW	1	\$1,736,436	\$2,215,250	28%	\$2,953,670	33%	\$3,544,400	20%	\$3,938,220	11%	227%
1791Lanier Pl, NW	1	\$2,124,407	\$2,965,610	40%	\$3,404,520	15%	\$3,779,280	11%	\$5,931,220	57%	279%
1840Biltmore St, NW	1	\$2,672,085	\$3,402,510	27%	\$3,969,590	17%	\$4,309,840	9%	\$4,880,340	13%	183%
1705Lanier Pl, NW	1	\$2,760,368	\$3,435,670	24%	\$3,803,830	11%	\$5,031,030	32%	\$5,890,070	17%	213%
1820-1870Clydesdale St, NW	1	\$2,846,538	\$5,734,990	101%	\$6,296,380	10%	\$7,221,130	15%	\$11,049,310	53%	388%
1832Biltmore St, NW	1	\$3,293,884	\$3,310,610	1%	\$3,867,070	17%	\$5,903,230	53%	\$6,662,800	13%	202%
2707Adams Mill Rd, NW	1	\$3,578,452	\$5,942,210	66%	\$6,305,330	6%	\$8,231,650	31%	\$9,128,210	11%	255%
3025Ontario	1	\$3,905,534	\$6,284,770	61%	\$6,747,930	7%	\$8,145,620	21%	\$9,048,610	11%	232%
1901Wyoming Ave, NW	1	\$5,666,472	\$8,940,920	58%	\$10,431,070	17%	\$13,113,350	26%	\$14,901,530	14%	263%
1870Wyoming Ave, NW	1	\$6,726,515	\$9,321,790	39%	\$8,839,630	-5%	\$10,466,840	18%	\$13,334,470	27%	198%
1661Crescent Place, NW	1	\$7,911,107	\$17,213,880	118%	\$18,289,750	6%	\$20,441,480	12%	\$26,896,690	32%	340%
2039New Hampshire Ave, NW	1	\$8,583,650	\$9,251,410	8%	\$13,867,710	50%	\$15,929,330	15%	\$18,146,570	14%	211%
222020th St, NW	1	\$10,081,286	\$10,128,370	0%	\$12,021,220	19%	\$13,034,350	8%	\$13,779,450	6%	137%
2853Ontario	1	\$20,134,083	\$22,571,220	12%	\$29,342,790	30%	\$36,540,920	25%	\$41,927,470	15%	208%
2101-2201Connecticut Ave, NW	1	\$38,499,339	\$47,464,560	23%	\$47,454,560	0%	\$59,330,700	25%	\$70,010,230	18%	182%
Subtotal: Ward 1		\$123,440,116	\$162,883,350	32%	\$183,241,090	12%	\$222,165,640	21%	\$263,469,260	19%	213%
1725T St., NW	2	\$759,970	\$1,240,020	63%	\$1,258,160	1%	\$1,567,180	25%	\$1,720,080	10%	226%
1300Massachusetts Ave., NW	2	\$1,231,200	\$2,947,650	139%	\$4,462,160	51%	\$4,662,100	4%	\$6,513,840	40%	529%
1835Phelps	2	\$2,257,113	\$2,734,910	21%	\$3,125,610	14%	\$3,360,030	7%	\$4,274,090	27%	189%
2500Mass. Ave, NW	2	\$2,304,407	\$5,369,850	133%	\$5,662,800	5%	\$5,797,270	2%	\$6,414,090	11%	278%
165731st Street, NW	2	\$2,316,600	\$3,790,220	64%	\$4,504,500	19%	\$7,689,830	71%	\$8,390,600	9%	362%
2120Kalorama St, NW	2	\$2,537,745	\$3,320,460	31%	\$3,861,000	16%	\$4,440,150	15%	\$5,019,300	13%	198%
2339Mass. Ave, NW	2	\$2,611,405	\$3,169,370	21%	\$3,622,130	14%	\$3,893,800	8%	\$4,527,670	16%	173%
191516th St, NW	2	\$2,660,160	\$3,744,430	41%	\$4,365,810	17%	\$5,833,490	34%	\$7,338,380	26%	276%
152617th St, NW	2	\$4,857,490	\$6,242,830	29%	\$7,806,110	25%	\$8,873,880	14%	\$10,500,640	18%	216%
102616th St, NW	2	\$4,954,737	\$4,972,960	0%	\$6,300,510	27%	\$8,345,550	32%	\$9,443,910	13%	191%
1734P Street, NW	2	\$6,921,810	\$8,300,610	20%	\$8,593,860	4%	\$9,757,430	14%	\$11,477,500	18%	166%
151417th St, NW	2	\$7,613,710	\$11,428,220	50%	\$14,038,200	23%	\$15,746,370	12%	\$18,756,250	19%	246%
2122California St, NW	2	\$9,522,024	\$12,630,100	33%	\$13,422,670	6%	\$16,543,430	23%	\$17,950,750	9%	189%
73024th St, NW	2	\$14,122,110	\$19,868,490	41%	\$23,930,750	20%	\$30,589,250	28%	\$37,486,130	23%	265%
2475Virginia Ave., NW	2	\$26,634,470	\$36,409,230	37%	\$43,628,010	20%	\$48,108,060	10%	\$57,317,790	19%	215%
2700Virginia Ave., NW	2	\$40,111,380	\$48,057,250	20%	\$53,558,800	11%	\$55,865,420	4%	\$62,853,440	13%	157%
2500Virginia Ave., NW	2	\$65,274,899	\$80,890,110	24%	\$81,996,650	1%	\$88,340,880	8%	\$130,337,630	48%	200%
700New Hampshire Ave, NW	2	\$72,185,980	\$81,693,190	13%	\$85,661,690	5%	\$87,857,720	3%	\$113,714,890	29%	158%
Subtotal: Ward 2		\$268,877,210	\$336,809,900	25%	\$369,799,420	10%	\$407,271,840	10%	\$514,036,980	26%	191%



No.Street	Ward	2003	2004	% Chg.	2005	% Chg.	2006	% Chg.	2007	% Chg.	100%
4315River Rd., NW	3	\$336,300	\$368,080	9%	\$411,840	12%	\$437,580	6%	\$643,500	47%	191%
4581MacArthur Blvd, NW	3	\$427,930	\$768,980	80%	\$997,430	30%	\$1,015,130	2%	\$1,440,400	42%	337%
3026Porter St, NW	3	\$936,542	\$1,407,718	50%	\$1,498,740	6%	\$2,047,880	37%	\$2,684,990	31%	287%
3028Porter St, NW	3	\$1,003,842	\$1,410,333	40%	\$1,501,350	6%	\$2,047,870	36%	\$2,684,990	31%	267%
3022Porter St, NW	3	\$1,027,636	\$1,417,300	38%	\$1,508,320	6%	\$2,082,250	38%	\$2,684,990	29%	261%
3018Porter St, NW	3	\$1,049,874	\$1,411,270	34%	\$1,502,290	6%	\$2,047,870	36%	\$2,684,990	31%	256%
3024Porter St, NW	3	\$1,055,276	\$1,418,460	34%	\$1,509,480	6%	\$2,083,350	38%	\$2,684,990	29%	254%
3020Porter St, NW	3	\$1,072,317	\$1,413,850	32%	\$1,504,870	6%	\$2,082,120	38%	\$2,684,990	29%	250%
3620Connecticut Ave, NW	3	\$1,153,306	\$1,946,590	69%	\$2,335,910	20%	\$2,477,480	6%	\$2,831,400	14%	246%
3001Porter St, NW	3	\$1,167,294	\$1,455,610	25%	\$1,625,800	12%	\$2,147,950	32%	\$2,692,420	25%	231%
5112Connecticut Ave, NW	3	\$1,454,700	\$3,963,960	172%	\$4,521,750	14%	\$5,527,920	22%	\$6,676,510	21%	459%
2720Wisconsin Ave, NW	3	\$1,639,565	\$3,186,930	94%	\$5,302,440	66%	\$5,559,630	5%	\$7,136,210	28%	435%
3039Macomb St., NW	3	\$1,647,035	\$3,637,820	121%	\$3,928,210	8%	\$3,928,200	0%	\$5,787,640	47%	351%
3020Tilden St., NW	3	\$1,886,300	\$4,846,520	157%	\$5,008,070	3%	\$6,203,330	24%	\$7,131,810	15%	378%
3016Tilden St., NW	3	\$1,948,300	\$4,846,520	149%	\$5,008,070	3%	\$6,203,330	24%	\$7,131,810	15%	366%
4514Connecticut Ave, NW	3	\$2,116,875	\$11,971,380	466%	\$13,417,360	12%	\$14,538,700	8%	\$18,606,690	28%	879%
3407-341129th St, NW	3	\$2,426,121	\$3,117,750	29%	\$3,301,170	6%	\$4,026,440	22%	\$4,860,030	21%	200%
3600Connecticut Ave, NW	3	\$2,650,695	\$2,863,880	8%	\$3,543,500	24%	\$4,931,880	39%	\$5,893,170	19%	222%
3031-41 Sedgewick	3	\$3,892,273	\$9,745,160	150%	\$10,070,000	3%	\$12,644,900	26%	\$14,820,560	17%	381%
3900Tunlaw St, NW	3	\$6,073,900	\$9,572,280	58%	\$12,593,300	32%	\$15,106,170	20%	\$19,498,050	29%	321%
3315Wisconsin Ave, NW	3	\$6,138,341	\$9,003,060	47%	\$9,020,050	0%	\$11,419,630	27%	\$12,408,690	9%	202%
4101Cathedral St, NW	3	\$15,222,401	\$16,627,490	9%	\$19,637,540	18%	\$22,340,570	14%	\$31,304,190	40%	206%
3900Watson Place, NW	3	\$19,382,662	\$22,425,980	16%	\$31,550,810	41%	\$36,888,640	17%	\$41,454,270	12%	214%
2502Calvert St, NW	3	\$26,561,153	\$34,727,190	31%	\$42,331,810	22%	\$44,050,670	4%	\$52,446,700	19%	197%
3601Connecticut Ave, NW	3	\$27,908,032	\$44,695,310	60%	\$48,266,380	8%	\$48,785,640	1%	\$61,145,050	25%	219%
3101Veasey St., NW	3	\$49,519,777	\$84,121,760	70%	\$90,238,010	7%	\$107,550,340	19%	\$121,616,920	13%	246%
4000Cathedral St, NW	3	\$72,620,086	\$89,505,250	23%	\$111,745,060	25%	\$148,689,040	33%	\$164,093,140	10%	226%
Subtotal: Ward 3		\$252,318,533	\$371,876,431	47%	\$433,879,560	17%	\$516,864,510	19%	\$605,729,100	17%	240%
Wards 6 and 7											
1301Delaware Ave, SW	6	\$13,340,960	\$28,082,340	110%	\$38,783,750	38%	\$54,984,500	42%	\$77,503,140	41%	581%
500-1301N St., SW	6	\$35,743,320	\$51,754,190	47%	\$70,239,500	36%	\$77,878,530	11%	\$116,344,250	49%	325%
516A St., NE	6						\$4,034,750---		\$4,341,120	8%	NA
Naylor Gardens, SE	7	\$11,429,452	\$20,701,520	110%	\$20,701,520	0%	\$32,621,520	58%	\$38,421,520	18%	336%
Subtotal: Wards 6 and 7		\$60,513,732	\$100,538,050	45%	\$129,724,770	29%	\$169,519,300	31%	\$236,610,030	40%	391%
Survey Total		\$705,149,591	\$972,107,731	38%	\$1,116,644,840	15%	\$1,315,821,290	18%	\$1,619,845,370	23%	230%

Board of Directors**President**

Michael O'Dell
Harbour Square, 447 units

1st Vice President

Carl Gerber
The Cathedral Avenue, 145 units

2nd Vice President

Bary Moss
The Westchester, 520 units

Secretary

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Treasurer

Nancy Skinkle
The Broadmoor, 194 units

Directors

Desmond Foynes
The Presidential, 43 units

William Kammerer
The Chesterfield, 66 units

Jill Golden
3028 Porter Street, 11 units

JoAnn Wells
Potomac Plaza Apartments 249 units

Madelin Evaneck
Naylor Gardens 318 units

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Energy Costs

We had planned on including an article about fuel alliances in this issue of *Member News* including a profile of how one of our member cooperatives saved over \$30,000 in one year by participating in an energy alliance. Unfortunately, tax issues and preparation for the Smithsonian Tour overtook those plans. We will include that information in an upcoming issue in addition to offering an energy seminar for our members to meet and talk with energy alliance representatives

Recent GAO Reports Covering the District

GAO exists to support the Congress in meeting its Constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people including studies about the District of Columbia operations and programs.

To obtain e-mail updates about GAO products, select "Subscribe to Updates" section of <http://www.gao.gov>. GAO products are available, free of charge, from the "Reports and Testimony"

**Annual Meeting
October**

Members were notified in a separate mailing that the Coalition's annual meeting has been rescheduled for October. The final date and place will be included in the official announcement mailed for that meeting 3 weeks prior to the meeting.

**Reproducing
CHC Member News
Articles**

Although special permission is not required to use or reproduce articles contained in *CHC Member News*, each reproduced item should contain proper acknowledgement to the DC Cooperative Housing Coalition and its *CHC Member News* as the source of the article.

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