

## Co-op Coalition Survey: Trash Credits (5-2020)

Thanks to everyone who responded. Below is a table with the responses.

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 In a message dated: Fri, May 1, 2020 11:49 am

Here's a process and a question related to Trash Credits that is something new. Hopefully, our members will help out one another again. Please "Reply" with your response by Friday, May 15. Their question follows:  
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We have a trash credit question. In the past, we assessed shareholders only for their share of the "net" real property tax (i.e., the full tax assessment, minus the anticipated reductions for the trash credit). We recently began assessing shareholders for the "full" real property tax, and now we are issuing individual trash credit rebate checks to the resident shareholders only (investor shareholders do not receive a rebate for the trash credit). We are wondering if any other cooperatives have a similar policy of issuing individual trash credit rebate checks, or whether other cooperatives "fold" the trash credit into the overall fee assessment?

<25 units	<p>We use the trash credit to offset our overall property tax obligations. Effectively, this means we have residents who are members who live in our cooperative and cross subsidize those who do not live in the cooperative (i.e.: those who rent out their units).</p> <p>On another note, we have a resident-member who is over the age of 65 and does not fill out the senior citizen tax form. It is sad because DC law entitles him to a tax credit and a lower tax obligation but they are too scared to let DC government and the cooperative association know about their finances. For what reason, I am unsure, but I think this whole tax process is arcane and puts the cooperative representatives in a pickle to act as an intermediary between the tax collector and the individuals who are entitled to the relief.</p> <p>A reminder, too, that the number of individuals who can be counted in your numerator for the trash credit may differ from your homestead credit. That is, if an individual is not domiciled in DC but is a live-in resident may be counted in the numerator for trash credit purposes. ... One needn't be domiciled to get the trash credit.</p>
<25 units	<p>We use the property tax less the trash credit for the annual budget which is used to calculate the monthly assessment. The only rebate checks we issue are the ones required for the senior property tax credits.</p>
<25 units	<p>Our co-op folds the trash fee into the overall assessment.</p>
25 – 49 units	<p>We "fold" the trash credit into our overall budget and do not issue rebate checks to any shareholder.</p>
25 – 49 units	<p>We fold the trash credit into our normal assessment calculation.</p>
25 – 49 units	<p>We do all the taxes from our general fund, from the maintenance fees, then the total tax credit amount is credited, divided by percentage ownership, at the end of the year for use in owner-residents' own taxes. We don't account for it at this level.</p>
25 – 49 units	<p>Our Co-op includes the net property tax in our annual budget and members are assessed their share as part of their regular monthly fee. We add a monthly surcharge (currently \$57) to each unit that fails to qualify for the homestead deduction for any reason.</p> <p>We do write rebate checks to owners who qualify for the senior property tax rebate.</p>
25 – 49 units	<p>We do not issue a rebate for the trash credit, meaning that the amount of the credit is figured into our operating budget calculations.</p>
25 – 49 units	<p>We assess owners full property tax assessment. No credits or rebates are issued to individual owners. Don't know how large your Coop is .. seems like a lot of accounting &amp; expense creating a lot of work year after year.</p>
50 – 199 units	<p style="text-align: center;">No Responses</p>

200+ units	The annual operating budget includes the real estate property tax bill that reflects the trash credit. Co-owners are assessed their proportionate share of the annual budget. With the exception of the Senior Rebate which is a District program, no other rebates or refunds are distributed. The loss of the trash deduction is offset with a fee assessed on co-owners who rent their units (Homestead Exemptions are the basis of the trash credit).
200+ units	We don't issue checks for the trash rebate. We add everything to our budget.