

Pending Emergency Legislation to Affect Tax Sales and Recordation Tax on Leases

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The Washington, D.C. Council is considering [B22-922: Fiscal Year 2019 Budget Support Congressional Review Emergency Act of 2018](#) which, among many provisions, contains a few changes of interest to real estate practitioners which are found [here](#).

- Recordation Tax: On leases in excess of 30 years, the Washington, D.C. government may determine the fair market value of the leasehold interest. 42 DC Code 1103(a)(1)(B)
- Tax Sales:
 - The tax certificate becomes void if the case is dismissed for want of prosecution or if there has been no pleading filed within a year. 47 DC Code 1355(a)(3)
 - A tax must have also appeared on a tax bill for it to form a basis for a tax sale. 47 DC Code 1361(b-1) as revised.
 - Plaintiff must record the tax deed by the later of October 1, 2019 or 30 days after judgment. 47 DC Code 1982(f).

This bill, if passed would be not be permanent law; however conforming permanent legislation often follows.