

My name is Marie Drissel. My family has lived in DC for over 160 years. My husband has retained his medical practice in DC for 40 years.

I have held a decades-long interest in the operation of the DC real property administration and was deeply pleased when you made it a priority. I was a member of the 1998 Tax Commission and we did not. I want to applaud the Commission and staff for the excellent presentations and working documents. The questions posed by the Commission members after each presentation and their responses are also top quality. I am fascinated by municipal finance and I actually envy your next steps.

The RP Cap: David L. Sjoquist stated in his remarks that the implementation of the tax cap was/is unfair. My husband and I pay 98% of our assessment and we just received a January appraisal which verified that we are assessed at 100% of market value. There are residential property owners in this City paying only 40% of their assessment. There were comments that there would be no way the Council and Mayor would drop the system. In fact there is recent legislation to restrict the increase to 5%. I am suggesting that the bottom be moved to 55% and the top should be reduced to 85% of assessment. This would at least bring the system some sense of fairness. It may be that to make it revenue neutral the bottom would be increased to 60%. I am not a lawyer but one of the elements deterring class action suits in real property is that the owner if treated unfairly has the appeals remedy. Maybe a system to appeal if one entire taxing neighborhood of like properties is on average less than 5% of another similar taxing neighborhood.

Commercial Real Property: My husband and I own his commercial small condo office and many of our friends own commercial property. I was responsible for paying a DC triple net lease rental contract as CFO of a multimillion international charity. I believe the Commission must work to recommend a system which gives long term stability to the commercial property owners and the businesses which pay the triple net leases. The increased quality of membership of the RPTAC (appeals board) is a big step in the right direction. But long term stability is very important. Council Member Wells testified of the need to look carefully at what stimulated H Street and some of it was attributed to real property tax relief for small commercial property owners.

Estate Tax: I want to comment on estate tax issues and primary residency from the point of view of my taxing jurisdiction, 29A; SK ANC and voting precinct, 113. Years ago I provided a large random sample analysis of my neighbors to demonstrate to OTR how many legally claimed another state as their primary residence. I did this several years after my own petitions were challenged when running for Chairman. I learned so much by calling my neighbors and asking them why they were not registered to vote in DC. Many own 3 properties and travel more than 2 months a year including internationally. They have a great deal of flexibility to determine where they live. (The most famous was Ambassador Pamela Harriman, known as the Hostess of Georgetown. She died while Ambassador to France and many were surprised that her primary residence was Virginia where her estate was liquidated.) You have received a letter from my neighbor and retired attorney, Arthur Mason. He moved to Florida because of the estate tax. He is not the only one I know. I am convinced that some changes in the estate tax will result in an increase in high income residents claiming DC as their primary residency.