

OFFICE OF TAX AND REVENUE

NOTICE OF FINAL RULEMAKING

The Deputy Chief Financial Officer of the District of Columbia Office of Tax and Revenue (OTR), of the Office of the Chief Financial Officer, pursuant to the authority set forth in D.C. Official Code § 42-1117 (2013 Repl.), Section 201(a) of the 2005 District of Columbia Omnibus Authorization Act, approved October 16, 2006 (120 Stat. 2019, Pub. L. 109-356; D.C. Official Code § 1-204.24d (2016 Repl.)), and the Office of the Chief Financial Officer Financial Management and Control Order No. 00-5, effective June 7, 2000, hereby gives notice of this final action to amend Chapter 5 (Tax on Recordation of Deeds) of Title 9 (Taxation and Assessments) of the District of Columbia Municipal Regulations (DCMR) by amending Section 528 (Revocable Trusts).

The amendment to Section 528 provides guidance regarding the treatment of deeds to real property conveying ownership to a revocable trust for purposes of the reduced rate of recordation tax available for first-time District homebuyers.

A Notice of Proposed Rulemaking was published in the *D.C. Register* on February 16, 2018 at 65 DCR 001726. No comments were received concerning the proposed rulemaking. This final rulemaking is identical to the published text of the proposed rulemaking. This final rulemaking shall become effective upon publication of this notice in the *D.C. Register*.

Chapter 5, TAX ON RECORDATION OF DEEDS, of Title 9 DCMR, TAXATION AND ASSESSMENTS, is amended as follows:

Section 528, REVOCABLE TRUSTS, is amended by adding a new Subsection 528.5 to read as follows:

528.5 For purposes of determining eligibility for the reduced rate of recordation tax provided under Section 303(e) of the District of Columbia Deed Recordation Tax Act of 1962, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1103(e) (2013 Repl.)), the grantee of a deed conveying real property to a revocable trust (as defined under this section), or the trustee of such a trust, shall be deemed to be the individual grantor, settlor, transferor, creator or trustor of such trust, and the determination of entitlement to the reduced tax rate shall be made based upon such individual without regard to the existence of such revocable trust.