

## HR 4725

District of Columbia Tax Incentives Improvement Act of 2002

**Congress:** 107 (2001–2003, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** May 14, 2002

**Current Status:** Referred to the Subcommittee on Commercial and Administrative Law.

**Latest Action:** Referred to the Subcommittee on Commercial and Administrative Law. (Jul 18, 2002)

**Official Text:** <https://www.congress.gov/bill/107th-congress/house-bill/4725>

### Sponsor

**Name:** Del. Norton, Eleanor Holmes [D-DC-At Large]

**Party:** Democratic • **State:** DC • **Chamber:** House

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Referred to	Jul 18, 2002
Oversight and Government Reform Committee	House	Referred To	May 14, 2002
Ways and Means Committee	House	Referred To	May 14, 2002

### Subjects & Policy Tags

**Policy Area:**

Taxation

### Related Bills

*No related bills are listed.*

District of Columbia Tax Incentives Improvement Act of 2002 - Amends the Internal Revenue Code to designate the entire District of Columbia as an enterprise zone which shall be treated as an empowerment zone.

Excludes from gross income capital gains on sale or exchange of District assets held for more than two years (presently the figure is five years). Defines what constitutes a District business. Nullifies the exclusion of any trade or business from counting as a District business for reason of consisting predominantly of dealing in intangibles if: (1) at least 30 percent of the employees of such a business are District residents; and (2) at least 50 percent of the wages are paid to District residents.

Extends time line for which provisions of enterprise zone treatment will last. Makes permanent provisions of law pertaining to the first-time homebuyer credit (currently, they last through December 31, 2003). Extends classification of "first-time homebuyer" to certain individuals buying residences due to divorce or separation, and directs the Secretary of Treasury to prescribe regulations to prevent abuses of such provision.

Removes the limitation on the amount of tax-exempt enterprise zone facility bonds that can be issued.

Exempts certain bonds and notes issued by the District Council and the interest thereon from all taxation (except for estate, inheritance, and gift taxes) by the United States, any State or political subdivision thereof, the District, or any possession of the United States.

Sets the tax and withholding rates for nonresident aliens and foreign corporations at zero for payments made by an "exempt insurance company" with respect to a "DC Zone insurance policy" issued by such company (as such terms are defined by this Act). Relieves exempt insurance companies from reporting requirements with respect to amounts paid under a DC Zone insurance policy to foreigners in connection with risks located outside the United States.

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## **Actions Timeline**

- **Jul 18, 2002:** Referred to the Subcommittee on Commercial and Administrative Law.
- **May 14, 2002:** Introduced in House
- **May 14, 2002:** Introduced in House
- **May 14, 2002:** Referred to the Committee on Ways and Means, and in addition to the Committees on the Judiciary, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
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