

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF TAX AND REVENUE



Limited Equity Cooperative Tax Fairness

Limited-equity cooperative (LEC) are defined in the DC Official Code in § 47-802 (11) as, “one required by a government agency or non-profit to limit the resale price of membership shares to keep the housing affordable for low and moderate-income buyers.”

The assessed value of improved real property owned by a LEC is the lesser of the following:

1. The aggregate estimated market value of proprietary lease, stock, or other interests in the co-op association as of January 1 preceding the date of assessment, or
2. If information is insufficient, then the estimated market value of the property is assessed as if it were a condominium determined under the comparable sales approach multiplied by 70 percent, or
3. The annual amount residents pay in carrying charges (excluding subsidies), divided by an appropriate capitalization rate as determined by the Office of Tax and Revenue (OTR).

The OTR interprets valuation method #3 to mean that it is to capitalize the total value of the resident’s portion of the gross receipts payable to the LEC to determine the assessed value of the property.

In order for OTR to consider valuation method #3 for the valuation of your LEC, please provide the information requested below and return to: Office of Tax and Revenue, Real Property Tax Administration, 1101 4th St. SW, 5th Floor, Washington, DC 20024, or via fax at 202-442-6796.

Limited-Equity Cooperative Data Collection Sheet

Owner’s Name: _____

Square: _____ Suffix: _____ Lot: _____

Premise Address: _____

Gross Receipt: \$ _____

Subsidies (less): \$ _____

Tenant Contribution: \$ _____