

Thursday, March 13, 2025

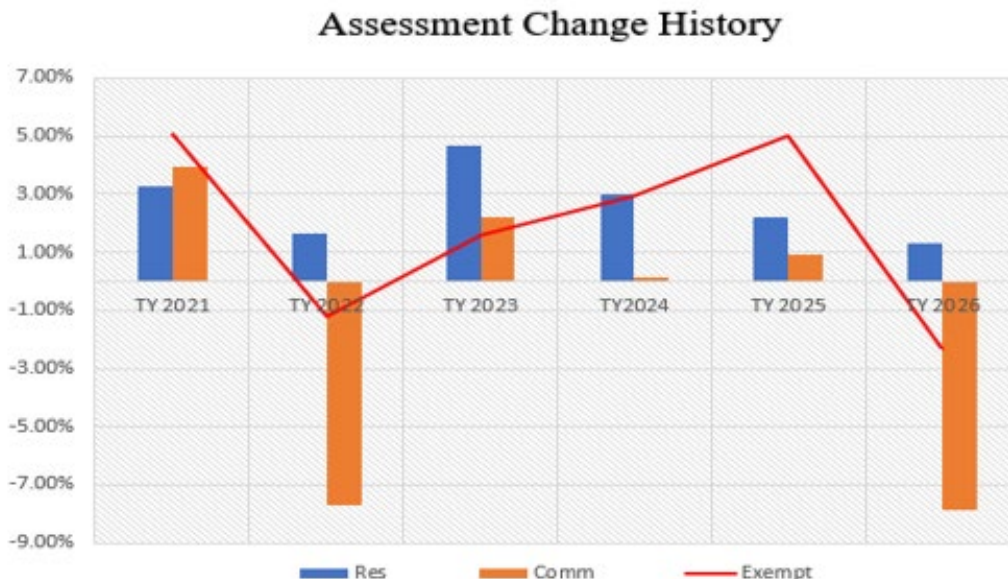
Office of Tax and Revenue Reports Significant Decline in District of Columbia Commercial Real Estate Value in Tax Year 2026 Assessment

The Office of Tax and Revenue (OTR) has completed its annual property assessment for the District of Columbia, based on values as of January 1, 2025. A total of 209,608 properties, including taxable, exempt, and possessory interest properties, have been appraised at their current market value. Assessment notices, which are not tax bills, began mailing on February 24, 2025. Property owners will pay the new tax rate in March 2026.

The residential real estate sector experienced slow growth, while the commercial real estate sector saw a significant decline, erasing the modest growth of the past three years. The table below summarizes the Tax Year (TY) 2026 proposed assessments compared to the TY 2025 figures.

Property Type	TY 2025 Value	Proposed TY 2026 Value	Base Change [\$]	% Change
Residential [Class1]	\$166,157,624,198	\$168,359,202,822	\$2,201,578,624	1.32%
Commercial [Class 2]	\$100,695,804,889	\$92,773,395,746	(\$7,922,409,143)	-7.87%
Total Taxable	\$266,853,429,087	\$261,132,598,568	(\$5,720,830,519)	-2.14%
Exempt	\$31,560,374,693	\$30,828,616,836	(\$731,757,857)	-2.32%
All Properties	\$298,413,803,780	\$291,961,215,404	(\$6,452,588,376)	-2.16%

The chart below shows the proposed assessment history since TY 2021. Commercial properties, yet to fully recover from the sharp decline of TY 2022, have now seen a major decline due to the continued drop in office demand.



The TY 2026 real property assessment notice contains the proposed assessed value for a property, the estimated taxable assessment and important information related to property tax relief programs including homestead benefits and senior citizen tax relief. In addition, included on the notice is the assigned appraiser's contact information for taxpayers who wish to discuss their assessment.

District property owners who believe their proposed TY 2026 assessment does not reflect the market value of their property are encouraged to file an appeal on or before **April 1, 2025**. The appeal process begins when a property owner submits a First Level Appeal Application to OTR. Property owners can appeal their assessment online by visiting MyTax.DC.gov under "Real Property." Also, the TY 2026 (Calendar Year ending December 31, 2024) Income and Expense (I&E) report filing for eligible commercial properties is due **April 15, 2025**. The list of commercial properties that must file an I&E report is available on OTR's website at (add link where it can be found)

Taxpayers with questions should contact OTR's Customer Service Administration at (202) 727-4TAX (4829).