



Councilmember Muriel Bowser

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Section 47-2005 of the District of Columbia Official Code to provide for a sales tax holiday beginning at 12:01 a.m. on the 1st Saturday in August and midnight on the 2nd Sunday in August for clothing and school supplies, and to provide a sales tax holiday beginning at 12:01 a.m. on the 4th Friday in November and midnight on the 1st Sunday in December.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the “Carol Schwartz Sales Tax Holiday Act of 2013”.

Sec. 2. Section 2 of the School Transit Subsidy Act of 1978, effective March 6, 1979 (D.C. Law 2-152; D.C. Official Code § 35-233), is amended as follows:

Sec. 2. Section 47-2005 of the District of Columbia Official Code is amended by adding a new paragraph (32A) to read as follows:

“(32A)(A) Subject to the other provisions of this paragraph, sales

of any:

“(i) School supplies, article of clothing, accessory items, or shoes for \$100 or less, when the purchase is made between 12:01 a.m. on the 1st Saturday in August and midnight on the 2nd Sunday in August, except when the

1 1st day of August falls on a Sunday, ending at midnight on the 3rd Sunday in
2 August; or

3 “(ii) Article of clothing, accessory items, or shoes for \$100
4 or less, when the purchase is made between 12:01 a.m. on the 4th Friday in
5 November and midnight on the 1st Sunday in December.

6 “(B) The exemption shall apply to:

7 “(i) Each eligible item regardless of how many items are
8 sold on the same invoice to a customer;

9 “(ii) Layaway sales; provided, that the retailer and the
10 customer enter into a layaway agreement during the exemption period or the
11 customer makes final payment on a layaway order during the exemption period;
12 and

13 “(iii) Sales of eligible items purchased during the
14 exemption period if the item is later exchanged for another exempt item after the
15 exempt period.

16 “(C) The exemption shall not apply to:

17 “(i) Exempt items normally sold as a unit with nonexempt
18 items if the items are separated to qualify for the exemption;

19 “(ii) Nonexempt items that are exchanged for exempt
20 items;

21 “(iii) Items advertised as “buy one, get one free” or “buy
22 one, get one for reduced price,” if one or both items are averaged to qualify for
23 the exemption;

1 “(iv) Items whose prices are reduced by a manufacturer’s
2 coupon to qualify for the exemption;

3 “(v) Repairs and alterations to exempt items; and

4 “(vi) Items for rent.

5 “(D) For the purposes of this paragraph, the term:

6 “(i) “Accessory items” means jewelry, non-prescription
7 eyeglasses, watches, watchbands, handbags, handkerchiefs, umbrellas, gloves,
8 scarves, ties, headbands, hats, belts and belt buckles, and other traditional
9 accessory items.

10 “(ii) “Clothing” means an article of wearing apparel for
11 humans.

12 “(iii) “Shoes” means all footwear, except skis, swim fins,
13 roller blades, and skates.

14 “(iv) “School supplies” means an item purchased for
15 educational use in the classroom, at home, or for any school activity, including
16 pens, pencils, stationery, art supplies, book bags, lunch boxes, and calculators.

17 “(E) A customer who pays sales tax on an exempt item to a retailer
18 during the exempt period shall be entitled to a refund of the tax from the retailer
19 and not from the Mayor.”.

20 Sec. 3. Fiscal impact statement.

21 The Council adopts the fiscal impact statement in the committee report as
22 the fiscal impact statement required by section 602(c)(3) of the District of

1 Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C.
2 Official Code § 1-206.02(c)(3)).

3 Sec. 4. Effective date.

4 This act shall take effect following approval by the Mayor (or in the event
5 of veto by the Mayor, action by the Council to override the veto), a 30-day period
6 of Congressional review as provided in section 602(c)(1) of the District of
7 Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C.
8 Official Code § 1-206.02(c)(1)), and publication in the District of Columbia
9 Register.