

BEFORE THE
WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 622

IN THE MATTER OF:

Served June 21, 1966

Determination of D. C. Real Estate)
Tax Exemption for D. C. Transit)
System, Inc., as Required by Public)
Law 84-757, for the Real Estate)
Taxes Assessed July 1, 1965.)

Public Law 84-757, approved July 24, 1956, which granted a franchise to D. C. Transit System, Inc., provides in Sec. 9(g)(1):

. . . the Corporation shall not be required to pay real estate taxes upon any real estate owned by it in the District of Columbia and used and useful for the conduct of its public transportation operations to the extent that the Commission has determined under such rules and regulations as it may issue that the Corporation's net operating income in the previous year was insufficient, after giving effect to the tax relief provided in the preceding subsections D. C. Motor Vehicle Fuel Tax Exemption to afford it a 6-1/2 per centum rate of return.

In compliance with the above, the Commission has made a determination regarding the exemption of D. C. Transit System, Inc., from D. C. real estate taxes. The pertinent calculations and detailed supporting schedules of real estate taxes appear in Exhibits A and B attached.

Findings and Notification to the Commissioners
of the District of Columbia

The Washington Metropolitan Area Transit Commission in its Order No. 621 served June 21, 1966, certified to the Commissioners of the District of Columbia that the net operating revenue for the twelve-month period ended August 31, 1964 ("the previous year"), after giving effect to the D. C. Motor Vehicle Fuel Tax exemption certified

in such Order, was \$1,851,892.94. This is "insufficient . . . to afford . . . a 6-1/2 per centum rate of return," by \$161,440.92.

D. C. Transit System, Inc., accordingly, qualifies for exemption from real estate taxes assessed July 1, 1965, on "real estate owned by it in the District of Columbia and used and useful for the conduct of its public transportation operations," per Exhibits A and B, attached, in the amount of \$145,214.90.

FOR THE COMMISSION:

A handwritten signature in cursive script, appearing to read "Delmer Ison".

DELMER ISON
Executive Director

DETERMINATION OF EXEMPTION OF D. C. TRANSIT SYSTEM, INC.,
FROM D. C. REAL ESTATE TAXES ASSESSED JULY 1, 1965,
BASED ON FINANCIAL RESULTS OF THE CORPORATION'S
FISCAL YEAR ENDED AUGUST 31, 1964

Gross Operating Revenues, as certified in WMATC Order No. 621, Public Law 84-757, Section 9(b)(1).	\$30,974,367.03
Gross Operating Revenues multiplied by 6-1/2%. Public Law 84-757, Section 9(b)(1)	\$2,013,333.86
Net Operating Revenues, after giving effect to the D. C. Motor Vehicle Fuel Tax exemption certified in WMATC Order No. 621, Public Law 84-757, Section 9(g)(1)	\$1,851,892.94
Amount by which Net Operating Revenues are "insufficient . . . to afford . . . a 6-1/2 per centum rate of return."	\$161,440.92
D. C. Real Estate Tax exemption for which D. C. Transit System, Inc., qualifies. Per Schedule A.	\$145,214.90

D. C. TRANSIT SYSTEM, INC.

Property on Books at June 30, 1965 <u>Location</u>	<u>Original Cost</u>		<u>D. C. Real Estate Taxes Assessed 7-1-65</u>	
	<u>Land</u>	<u>Buildings</u>	<u>Exempt</u>	<u>Non-Exempt</u>
<u>Operating Property</u>				
<u>In D. C.:</u>				
26th & Bladensburg Road	\$ 823,167.90	\$2,715,545.02	\$ 49,753.10	
Eastern Garage	74,866.84	326,640.59	14,115.68	
Trinidad Garage	40,730.28	234,557.54	8,791.74	
Western Garage	10,793.98	352,172.17	21,112.38	
Northern Garage	54,416.50	890,514.31	22,933.52	
Southeastern Garage	83,586.76	349,938.21	10,172.20	
Brookland Garage	103,659.48	397,974.92	12,193.78	
Platforms & Stop Signs		14,210.32		
Chevy Chase Terminal	26,201.79	33,431.71	2,933.78	
Rock Creek Loop	12,729.66	8,878.25	1,018.38	
Barney Circle Terminal		19,684.13		
11th & Monroe Terminal	21,034.10		452.74	
14th & Colorado Ave., N.W.	18,393.75	15,388.16	1,140.78	
12th & Quincy Terminal	20,599.13	7,075.96	294.38	
62nd & Dix Terminal	6,692.59		302.44	
Work in Process		75,154.42		
<u>Outside D. C.:</u>				
Wisconsin Avenue Terminal	24,797.90	27,411.09		
Mt. Rainier Terminal	31,541.21	15,499.76		
Rosslyn Loop		4,963.09		
Seat Pleasant Loop		8,104.92		
Silver Spring Transit Center		33,517.85		
Sightseeing Sales Offices		15,064.02		
Total Operating Property	<u>1,353,211.87</u>	<u>5,545,726.44</u>		
<u>Non-Operating Property</u>				
<u>In D. C.:</u>				
Rights of Way, Benning	175.06		\$ 5.32	
13th & D Streets, N.E.	976.32		73.52	
Eckington Place Rights of Way	4,300.85		267.78	

D. C. TRANSIT SYSTEM, INC.

Property on Books at June 30, 1965 <u>Location</u>	Original Cost		D. C. Real Estate Taxes Assessed 7-1-65	
	<u>Land</u>	<u>Buildings</u>	<u>Exempt</u>	<u>Non-Exempt</u>
<u>Non-Operating Property</u> In D. C.: (cont'd)				
Cabin John Rights of Way 14th & V Streets, N.W.	\$ 80,146.42	\$ 16,835.55	\$	\$ 4,571.14
General Office Building	9,038.23	1,397,474.10		698.66
Parking Area 36th & M	44,126.91			23,784.30
Misc. Non-Operating Equipment and Work in Process	579.48	239,507.99		486.00
<u>Outside D. C.:</u>				
Land, Miscellaneous Parcels	23,190.08			
Miscellaneous Equip. & Roadway		31,912.18		
Total Non-Operating Property	162,533.35	1,685,729.82		
TOTAL OPERATING & NON- OPERATING PROPERTY (as reconciled with books, below)	<u>\$1,515,745.22</u>	<u>\$7,231,456.26</u>		
TOTAL D. C. REAL ESTATE TAXES			<u>\$145,214.90</u>	<u>\$29,886.72</u>
<u>Reconciliation with Books</u>				
Balances per Books at June 30, 1965				
Land: a/c 502-Operating	\$1,353,211.87			
a/c 404-Non-Operating	162,533.35			
Building: a/c 504-01-02-03-04- 05-06-07, 505-00		\$5,470,572.02		
a/c 401-02 Work in Process-Operating		75,154.42		
a/c 404-01-Non-Oper- ating		1,490,787.49		
a/c 404-02 Work in Process-Non-Oper- ating		194,942.33		
TOTALS, Per Books, June 30, 1965	<u>\$1,515,745.22</u>	<u>\$7,231,456.26</u>		