



The District's Dime

Going Beyond the Budget Book

The DC Fiscal Policy Institute blog
www.dcfpi.org

February 13, 2013

Tens of Thousands of Residents Would Be Helped by Fixing Schedule H

By Jenny Reed

There are many ways to help DC residents struggling with high and rising housing costs, including Mayor Gray's recent commitment for [10,000 units](#) of affordable housing. Yet even that tremendous effort will leave many families in need, with more than 50,000 households now [paying over half of their income on housing](#).

Another important way to ease the impact of severe housing cost burdens is by improving DC's tax credit for residents with high property tax bills or high rents — known as schedule H. Improvements adopted last year by the DC Council — but not yet funded — could help tens of thousands of DC families and individuals throughout the city.

The Schedule H Property Tax Relief Act [passed](#) by the DC Council would increase the maximum credit to \$1,000 and would increase the income eligibility from \$20,000 to \$50,000 by 2016. Unfortunately, these changes cannot be implemented until funds are found to pay for them.

If implemented, Schedule H could help tens of thousands of DC families and individuals, based on their income, by 2016. These families live throughout the city, including as many as 8,900 in Ward 3, 20,300 in Ward 1, and 18,200 in Ward 8 (see Table 1). Even if participation in Schedule H is less than 100 percent, as is expected with tax credits, there is

Table 1

Improving the Schedule H Tax Credit Could Help Thousands of DC Households Throughout the City

Ward	Maximum Eligible
Ward 1	20,300
Ward 2	11,700
Ward 3	8,900
Ward 4	17,600
Ward 5	18,200
Ward 6	14,900
Ward 7	15,900
Ward 8	18,200
Total	125,600

Source: Office of Revenue Analysis, Chief Financial Officer. Figures represent the upper bound of potential Schedule H recipients by 2016. Actual participation would be lower because some income-eligible families will not meet other program rules and because participation will be lower than 100 percent.

no doubt that thousands of families across the District would benefit. The Schedule H changes will make many residents newly eligible for the credit, but even currently eligible residents will benefit from the increased maximum credit and other changes that make applying for Schedule H easier.

With the [likelihood of increased revenues](#) for DC on the horizon, and with housing costs that continue to rise faster than incomes, we urge Mayor Gray to make funding improvements to Schedule H part of his commitment to making housing affordable in his fiscal year 2014 budget.