



Chairman Phil Mendelson

AMENDMENT #2

Bill 25-784, "Fiscal Year 2025 Budget Support Act of 2024"
(Amendment in the Nature of a Substitute)
June 24, 2024

Amendment:

(a) Lines 4852 through 4856 of Title VII, Subtitle V are amended to read as follows:

“(B)(i) For tax years ending before January 1, 2025, individuals, estates, and trusts shall not, and shall not have been required to, include interest on the obligations of the District of Columbia, a state, ~~a territory of the United States,~~ or any political subdivision thereof, in the computation of District gross income.”.

Rationale: This amendment strikes the phrase “a territory of the United States” to maintain the tax-exempt status of bonds issued by a territory of the United States. Under federal law, bonds issued by Puerto Rico (48 U.S. Code § 745), Guam (48 U.S. Code § 1423a), and the Virgin Islands (48 U.S. Code § 1403) are exempt from federal and state taxation.