Ladies and Gentlemen:

We are here to correct something that Finance and Budget Chairman Jack Evans said was a mistake—repealing the $3000 Pension Annuity Exclusion.

The delay in correcting the mistake is having a negative impact on seniors. It undermines their understanding that the city government has the best interest of seniors.

The repeal of this modest benefit is an affront to seniors who are long-time residents of the city. The repeal underscores the perception that as Washington, DC becomes increasingly gentrified, seniors who stuck with the city in its hard times no longer are welcome. While District officials profess to want to preserve the District’s economic diversity, repealing the pension benefit exclusion does the opposite.

It was a mistake passing the repeal of the pension benefit exclusion without focusing on the impact to seniors.

The assumptions “By raising the standard deduction and personal exemption to match the federal levels, virtually all residents would benefit from substantial tax relief...” were not correct.

It was a mistake. It did not work out as planned.

The pension annuity exclusion remained intact even during the District of Columbia's fiscal nadir in the 1990s, when the city's finances were in shambles. Yet the exclusion was repealed during the District’s recent burst of prosperity, when its population and tax base are rising. It hit across the board on tax paying seniors. The money taken from seniors went to fund a new lower tax bracket for new arriving millennials.

It was a mistake.

The most generous Family leave benefit in the nation that benefits 2/3 of non-residents was recently passed cost $250 million dollars. That means $167 million dollars are going to non-residents. Yet there appears to be reluctance in restoring what Councilmember Jack Evans said was a mistake that would cost about $3 million dollars annually. The $167 million dollars that are going to non-residents would fund the restored $3000 Pension exclusion for 56 years.

Repealing the $3000 pension benefit annuity exclusion was a mistake. Likewise it is a mistake to snub seniors while favoring millennials.

We have been harmed by this. The seniors were not made whole and this does not make sense for people making less.

Fix the mistake!

Bill 22-0044 which is sponsored by 8 councilmember provides more generous tax relief for seniors than the longstanding pension benefit annuity exclusion for seniors. If the council declines to fund a small longstanding benefit, what can we expect it to do with Bill 22-0044? Was this a feel good measure with no intent behind it?

Restoring the pension benefit annuity exclusion is a small but important step towards fixing the mistake and making the District a senior friendly city.

I wish to thank those Councilmembers who have been advocates for this bill.

Respectfully submitted,

Sylvester Bush
Coalition to Restore DC Pension Benefit