

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF TAX AND REVENUE



OTR TAX NOTICE 2010-05
March 22, 2010

**Modified Instructions for Rental Income and Expenses Reported on the
2009 D-20, Corporation Franchise Tax Return**

The Office of Tax and Revenue provides the following modified instructions for rental income and expenses reported on the 2009 D-20, Corporation Franchise Tax Return.

The instruction for Line 6 of the D-20 and Line 7 of the Schedule I indicate the taxpayer is to use “Net rental income” on Line 6. Gross rental income is to be reported on this line.

District taxpayers who have rental income should complete the D-20 as follows:

1. Gross rental income – Report gross rental income on Line 6 of the Form D-20, from Schedule I, Line 7, Column 3, Gross amount of rent.
2. Rental Expense –Add the total of columns 4 through 6 from Schedule I, Line 7 and report these deductions on Line 24 of the D-20.

However, if a District taxpayer reported “Gross rental income” on Line 6 of the D-20 and claimed deductions for expenses of the rental income on Lines 11 through 25 of the D-20, the net effect of the calculation is correct and the taxpayer need take no further action. An amended return is not required.

Taxpayers who filed a D-20 reporting the “Gross rental income” on Line 6 and did not claim any expenses on the lines noted above may wish to file an amended return.

For additional information, please contact OTR’s Customer Service Center at (202) 727-4TAX (4829).