COALITION ON HUMAN NEEDS
2021 L Street, NW · Suite 101-219 · Washington, DC 20036 · 202.223.2532 · www.chn.org

February 3, 2026

Dear Representative:

On behalf of the Coalition on Human Needs, I strongly urge you to vote no on H.J.Res. 142 – Disapproving the action of the District of Columbia Council in approving the D.C. Income and Franchise Tax Conformity and Revision Temporary Amendment Act of 2025, should it reach the House floor. Congress should respect the District of Columbia's right to manage its budget responsibly and allow it to make its own decisions about its own tax code.

The Coalition on Human Needs is an alliance of national organizations working together to promote public policies which address the needs of low-income and other vulnerable populations. The Coalition's members include civil rights, religious, labor, and professional organizations, service providers and those concerned with the wellbeing of children, women, the elderly, and people with disabilities. We understand that states and the District of Columbia need to make decisions about their own revenue sources in order to be able to provide the services their constituents need. Because many states couple their own tax system to the federal government's, ten states and DC have acted to decouple from various tax cut provisions in H.R. 1 (CA, CO, DE, DC, IL, HI, ME, MD, MI, PA, and RI). States have done this because they needed to protect state revenues that fund state services and continue to balance their budgets. DC must have this same decision-making authority.

DC chose to decouple from the tax provisions included in H.R. 1 because failure to do so would have created a loss of $658 million over the next five years. They can ill afford to lose this revenue. Prior Congressional action to prohibit DC from spending $1 billion of its own funds for its FY25 budget created a gap that the District worked hard to address, but still resulted in higher borrowing costs due to a credit downgrade. H.J.Res 142's further action to prohibit DC from making its own responsible decisions could lead to further worsening of its credit rating. If DC has to pay still more for routine borrowing, it will have less to cover its services to constituents.

DC's elected officials enacted a new Child Tax Credit and expanded Earned Income Tax Credit as part of its decoupling legislation. These new and expanded credits are estimated to reduce child poverty by 20 percent, and will provide additional income to other households with modest earnings (mostly to households with earnings of less than $61,000 a year). The District of Columbia has chosen to direct some of its own revenues to assist poor and low-income households instead of providing additional tax breaks to those with the highest incomes, as continued coupling with the federal tax provisions would require.

To be clear, this is solely about the District of Columbia's choice of how it wishes to set its own tax policy; it does nothing to change the federal tax code.

Further, H.J.Res. 142 is grossly irresponsible, because it would dictate changes in DC's tax code ***after*** the start of the 2025 tax filing season, which began on January 27. Tax forms now being used by households and businesses are based on the DC legislation enacted in November. Congress should not sow confusion and unexpected loss in its dealings with DC's people.

Now in the year of the 250th anniversary of the Declaration of Independence, we strongly urge you to vote no on efforts to deny the people of the District of Columbia, as represented by their elected officials, the right to determine their own tax policy and manage their own budget.

Sincerely yours,

Deborah Weinstein,
Executive Director