Common Interest Developments: CID Homeowners' Fees and the Issue of Double Taxation
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Abstract

Double taxation is the term used by homeowners' association advocates to describe the proposal that homeowners' association fees should be tax deductible. To date, only one state, New Jersey, has taken legislative steps to deal with the double taxation concerns of homeowners' association members. The issue, however, continues to appear in trade publications, newspaper articles, and on homeowners' association conference agendas. Because there is no definitive proposal for how a tax deduction for homeowners' fees would actually work, it is difficult to assess the impact of such a proposal. Thus, this paper seeks to provide only an introductory discussion to the issue of double taxation and common interest developments.

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