

CONTENTS

- General Information/
Instructions
- Change of Address
FR-900W
- Final Report — FR-900W1
- Request for Withholding Tax
Forms
- Monthly Withholding Tax
Returns — FR-900M

- 2003 Annual Reconciliation
and Report — FR-900B
- Address Labels
- Withheld Tax Monthly
Payment Record

IMPORTANT

- You must include your Federal Employer Identification Number on all W-2 forms which you issue to District of Columbia resident employees.
- Enter whole dollar amounts — do not use cents. Round all amounts to the nearest dollars.
- Mail the **monthly withholding tax return (FR-900M)** and payment using the address labels in the back of this booklet or mail to: Government of the District of Columbia, PO Box 7792, Ben Franklin Station, Washington, DC 20044-7792.
- The 2003 FR-900B Annual Reconciliation Report is due January 31, 2004.

- The **Annual Reconciliation and Report — FR-900B** should be mailed to the Government of the District of Columbia, 6th Floor, 941 North Capitol St., N.E., Washington, DC 20002.
- Checks or money orders should be made payable to the DC TREASURER. Write your Federal Employer Identification Number, “W” (for withholding tax) and the tax period on your payment.

Payments may be made in person at the DC Treasurer’s Office, First Floor, 941 North Capitol St., N.E., Washington, DC, or at any DC branch of the First Union Bank.
- Substitute forms, returns or reports must be approved each year in advance by the Office of Tax and Revenue.
- **RETURNS AND AN ANNUAL RECONCILIATION AND REPORT MUST BE FILED EVEN IF NO TAXES WERE WITHHELD OR DUE.**

INTRODUCING...



Electronic Taxpayer Service Center
www.taxpayerservicecenter.com

A new, secure and convenient way
to pay and view your taxes online.
Best of all, it's free!

A service of the
Government of the District of Columbia
Office of the Chief Financial Officer
Office of Tax and Revenue

eTSC is a free Internet site where businesses can file certain District of Columbia tax returns electronically, make payments online, and view up-to-date tax account data. The following tax types are included in the eTSC:

- Corporate Estimated Franchise
- Unincorporated Business Estimated Franchise
- Employer's Withholding (Monthly)
- Sales and Use (Monthly)

Future improvements will provide additional tax account accessibility and filing capabilities.

Office of Tax and Revenue • 941 North Capitol Street, NE
Washington, DC 20002 • (202) 727-4TAX (4829)
<http://cfo.washingtondc.gov>

How does the eTSC work?

Enter the eTSC site at www.taxpayerservicecenter.com, download a registration form and follow the mailing instructions. Once the registration is received and processed, the registrant will be sent a user ID and password by secure e-mail allowing access to the eTSC. With the ID and password, the service center can be accessed immediately and is available 24 hours a day, seven days a week. This free service is also available via District of Columbia government Web sites at www.dc.gov

Which taxes can be filed using eTSC?

Businesses can file the following returns online and related account information can be viewed:

- Employer Withholding Tax Monthly Return (Form FR-900M)
- Sales and Use Tax Monthly Return (Form FR-800M)
- Declaration of Estimated Franchise Tax for Corporations (Form D-20ES)
- Declaration of Estimated Franchise Tax for Unincorporated Businesses (Form D-30ES)

The business receives immediate confirmation upon filing, as well as an electronic image of each return and form submitted that can be downloaded.

How can I make payments using eTSC?

Businesses have the following options for filing and paying their taxes:

- Electronic Funds Transfer / Automated Clearinghouse Debit — available to all businesses that provide a bank routing number when they sign up.
- Credit Cards — an alternative and convenient method of payment. A convenience fee is charged by the credit card processing company.
- Mail — still available as an option to businesses even if they file electronically.

EMPLOYER'S WITHHOLDING TAX — GENERAL INFORMATION — MONTHLY RETURN

NOTE: If you find that your monthly withholding tax is consistently less than \$100, you should call the Office of Tax and Revenue at (202) 727-4829 to have your filing requirement frequency changed from monthly to annual.

- 1. FILING PERIOD AND DUE DATES:** Monthly returns are due on or before the 20th of the month after the month being reported. In addition to monthly returns, the Annual Reconciliation and Report (Form FR-900B) must be completed and filed by January 31st of the following year or within 30 days of your final payroll. If a due date falls on a Saturday, Sunday or legal holiday, the return or reconciliation and report is due on the next business day.
- 2. FORMS:** A booklet with all the necessary forms and instructions is mailed to each registered employer. **If an employer does not receive the forms, payments should be mailed with a cover letter.** The cover letter should include the employer's Federal Employer Identification Number, tax type "W" (for withholding tax), and the period for which payment is being made. Employers are responsible for filing on time. For more information on filing requirements, call (202) 727-4TAX (4829). For forms, call (202) 442-6546.
- 3. PAYMENT:** Make checks or money orders payable to the *DC Treasurer* and mail with the monthly return to the Government of the District of Columbia, PO Box 7792, Ben Franklin Station, Washington, DC 20044-7792. Write on your payment your Federal Employer Identification Number, "W" (for withholding tax) and the tax period. (Address labels are provided in this booklet.) For other payment options, see the "IMPORTANT" section on the previous page.
- 4. DISHONORED CHECKS:** There is a charge of \$50 for each dishonored check issued to the District of Columbia.

- 5. SUBMISSION OF W-2s:** A copy of every Form W-2 issued by an employer and showing DC Income Tax withheld must be submitted to the Office of Tax and Revenue each year with the Annual Reconciliation and Report or the final return. If prior approval is received from the Office of Tax and Revenue, magnetic tapes or ADP printouts may be submitted in lieu of W-2s. **The employer's Federal Employer Identification Number MUST appear on each W-2 form issued to DC resident employees.**

Mail Form W-2 magnetic tapes to: Office of Tax and Revenue, Information Systems Administration, 3rd Floor, 941 North Capitol St., NE, Washington, DC 20002. If the number of W-2s is large, they may be packaged in convenient sizes. In such cases, follow these instructions:

- Number the packages consecutively.
- Write the employer's name, address, and the Federal Employer Identification Number on each package.
- Mail separately from the W-2s, the Form FR-900B, Annual Reconciliation and Report and indicate the number of W-2 packages immediately after the employer's name.
- Send the payment of any tax owed with the Annual Reconciliation and Report. Enclose with the report a brief statement indicating that W-2 forms for the period are being mailed in separate packages.

IMPORTANT NOTE: For withholding tax rates, see FR-230 DC Income Tax Withholding Instructions, Sample Forms and Tables. Call (202) 442-6546 for a copy of FR-230. The tables are also available on our Web site — www.dc.gov.

6. PENALTY AND INTEREST CHARGES:

- (a) There is a penalty of 5 percent per month imposed for the failure to file a return or pay any tax due on time. The penalty is computed on the unpaid tax for each month, or any fraction of a month, that the return is not filed or the tax is not paid. The penalty may not exceed an amount equal to 25 percent of the tax due.
- (b) There is a 20 percent penalty on that portion of an underpayment of taxes that is attributable to negligence. Negligence means a failure to make a reasonable attempt to comply with the law or to exercise ordinary and reasonable care in preparing tax returns, without the intent to defraud. One indication of negligence is a failure to keep adequate books and records.
- (c) Interest at the rate of 10 percent per year, compounded daily, will be assessed on any tax remaining unpaid after the due date of the return.

7. FAILURE TO WITHHOLD OR PAY TAX: An employer who fails to withhold or pay over to the District of Columbia withholding taxes is personally liable for the tax.

ANNUAL RECONCILIATION AND REPORT (FORM FR-900B)
Instructions

- Line 1.** Enter the total of DC income tax withheld during the reporting period as reflected on the Withholding Statements (W-2s). If you were not required to withhold, leave blank.
- Line 2.** Enter the total of DC income tax withheld and paid to the District of Columbia during the reporting period.
- Line 3.** If Line 1 is more than Line 2, enter the difference on Line 3.
- Line 4.** If you do not pay the tax due (Line 3), or do not timely file a return, calculate the penalty for failing to do so at 5 percent per month, or fraction of a month, of the tax due. The penalty may not exceed an amount equal to 25 percent of the tax due.
- Line 5.** For the 2002 Form FR-900B Calculate the interest at 13 percent per year (.0355921 % daily) of the tax line due (Line 3). For tax periods after 12/31/02 the interest is 10 percent per year compounded daily.
- NOTE:** Calculate the penalty and interest from the due date of the return to the date the tax is paid.
- Line 6.** Add Lines 3, 4, and 5 and enter the total.
- Line 7.** If the amount on Line 1 is less than the amount of Line 2, enter the difference on Line 7.

CHANGE OF ADDRESS

If you have moved, please complete this form and mail it to the Government of the District of Columbia, Office of Tax and Revenue, PO Box 470, Washington, DC 20044-0470.

FEDERAL EMPLOYER IDENTIFICATION NUMBER		BUSINESS NAME AND NEW ADDRESS
DATE MOVED		
PREVIOUS BUSINESS ADDRESS	PREVIOUS MAILING ADDRESS	NEW MAILING ADDRESS
PERSON TO CONTACT AND PHONE NUMBER		

All other changes, call Customer Service Administration (202) 727-4TAX (4829).



Government of the
District of Columbia

FR-900W1

EMPLOYER WITHHOLDING TAX

FINAL REPORT

Complete this form if your business is sold, closed, or discontinued.

FEDERAL EMPLOYER I.D. NUMBER

--	--	--	--	--	--	--	--	--	--

BUSINESS NAME AND ADDRESS

**Mail to: Government of the District of Columbia
Office of Tax and Revenue
PO Box 470
Washington, DC 20044-0470**

If business was sold, state purchaser's name, address and date of sale:

Name _____

Address _____

Date of Sale _____

PERSON TO CONTACT FOR ADDITIONAL INFORMATION

NAME AND TITLE

If business was closed or discontinued:

Date closed or discontinued _____

Reason _____

PHONE NUMBER

EMPLOYER'S REQUEST FOR WITHHOLDING TAX FORMS

INSTRUCTIONS: If additional DC forms are needed, complete the applicable blocks and return this request to the address shown in the upper right.

Withholding Forms	Quantity Needed
FORM D-4 Employee's Withholding Allowance Certificate	
FORM D-4A Certificate of Non-Residence in the District of Columbia	

NOTE:

District of Columbia Forms D-2 are NO LONGER ISSUED. Employers are to use Federal W-2 Forms.



Government of the District of Columbia
Office of Tax and Revenue
First Floor, Forms Office
941 North Capitol St., NE
Washington, DC 20002

PRINT YOUR NAME AND MAILING ADDRESS BELOW

BUSINESS NAME		
TRADE NAME		
BUSINESS ADDRESS (Mailing Address)		
CITY	STATE	ZIP

TAXPAYER NAME _____

FEDERAL EMPLOYER ID NUMBER _____



**PLEASE
SIGN
HERE**

Under penalties of law, I declare that this return, to the best of my knowledge, is correct. Declaration of paid preparer is based on all the information available to the preparer.

TAXPAYER'S SIGNATURE

TITLE

DATE

TELEPHONE NO. OF PERSON TO CONTACT

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**PAID
PREPARER
ONLY**

PREPARER'S SIGNATURE (if other than taxpayer)

DATE

FIRM NAME

FIRM ADDRESS

PREPARER'S FEIN, SSN OR PTIN

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Mail return and payment to: Government of the District of Columbia, Ben Franklin Station, PO Box 7792, Washington, DC 20044-7792.
Make check or money order payable to the DC Treasurer. Include your Federal Employer ID Number, "FR-900M" and tax year on your payment.

TAXPAYER NAME _____

FEDERAL EMPLOYER ID NUMBER _____



**PLEASE
SIGN
HERE**

Under penalties of law, I declare that this return, to the best of my knowledge, is correct. Declaration of paid preparer is based on all the information available to the preparer.

TAXPAYER'S SIGNATURE

TITLE

DATE

**PAID
PREPARER
ONLY**

PREPARER'S SIGNATURE (if other than taxpayer)

DATE

FIRM NAME

FIRM ADDRESS

FOR OFFICIAL USE ONLY

TELEPHONE NO. OF PERSON TO CONTACT

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

PREPARER'S FEIN, SSN OR PTIN

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Mail return and payment to: Government of the District of Columbia, Ben Franklin Station, PO Box 7792, Washington, DC 20044-7792.
Make check or money order payable to the DC Treasurer. Include your Federal Employer ID Number, "FR-900B" and tax year on your payment.

TAXPAYER NAME _____

FEDERAL EMPLOYER ID NUMBER _____



EMPLOYER'S D.C. WITHHOLDING TAX RECONCILIATION

MONTHLY PAYMENTS (Annual Filers use Line 13)

	Date Paid	Tax Paid	Penalty	Interest	Total Amount Paid
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
TOTAL FOR THE YEAR					

EXPLANATION
