

# Annual Sales and Use Tax Return

## General Information

1. **FILING PERIOD AND DUE DATES:** An annual return is due on or before January 20th of the year after the reporting period. If the due date falls on a Saturday, Sunday or legal holiday, the return is due on the next business day. To avoid a delinquency notice, a return must be filed even if no sales were made or no sales or use tax is due.
2. **FORMS:** A booklet with all the necessary forms and instructions is mailed to each registered taxpayer. Taxpayers are responsible for filing and paying taxes on time whether or not the forms are received.
3. **PAYMENTS:** Make check or money order payable to the DC Treasurer and mail it with the annual sales and use tax return to the Government of the District of Columbia, PO Box 679, Ben Franklin Station, Washington, DC 20044-0679. Payments may be made in person at any branch of the First Union Bank located in DC. Please write your Federal Employer Identification Number (or Social Security Number), FR-800A, and the tax year on your payment.
4. **DISHONORED CHECKS:** There is a charge of \$65 for each dishonored check issued to DC.
5. **TAX RATES:**
  - (a) **5.75% rate**, in general, applies to:
    - (1) Sales of tangible property delivered in the District of Columbia;
    - (2) Rentals of tangible personal property, except rentals of textiles to residential users;
    - (3) Sales of newspapers and publications;
    - (4) Sales of food or drink sold through vending machines;
    - (5) Sales of the following services: real property maintenance; landscaping; employment; personnel placement; data processing; information; production; fabrication or printing; repairs or alterations of tangible personal property; copying; photocopying, duplicating, or mailing; delivery; and laundering, dry cleaning, or pressing; except if the service is performed by coin-operated equipment.
    - (6) Sales of stationary two-way radio services, telegraph services, teletypewriter services, teleconferencing services, "900," "976," "915," and other "900" type telecommunication services, telephone answering services, and coin-operated telephone services. Sales of these services are exempt from sales tax if charges to the end-user are subject to DC gross receipts or the toll telecommunication tax;
    - (7) Admissions to certain public events (for detailed information, refer to the pamphlet "General Information—Sales and Use Taxes" FR-379;
    - (8) Sales of local telephone service, gas, oil and electricity for commercial use; and
    - (9) Sales of solid fuel or steam.
  - (b) **8% rate applies** to sales of alcoholic beverages sold for consumption off the premises. (After December 31, 2002, this increases to 9%.)
  - (c) **10% rate applies to:**
    - (1) All sales of food or drink served or prepared for immediate consumption or sold in or by restaurants, lunch counters, cafeterias, hotels, caterers, boarding houses, carry-out shops and other similar places of business.

This includes sales of food or drink in a heated state, cold drinks dispensed on a self-service basis into a container; and frozen yogurt, ice cream, ice milk or sherbet sold in quantities of less than one pint;

- (2) Rental of motor vehicles and utility trailers, except those registered for commercial purposes;
  - (3) Sales of alcoholic beverages sold for consumption on the premises; and
  - (4) Sales of prepaid telephone calling cards.
- (d) **12% rate applies** to charges for the service of parking, storing or keeping motor vehicles or trailers.
  - (e) **14.5% rate applies** to charges for rooms, lodgings or accommodations furnished to transients.

**NOTE:** Sales tax must be charged and collected on the actual selling price.

6. **EXEMPT AND NONTAXABLE SALES:** The following are examples of exempt and therefore, nontaxable sales:
  - (a) Sales to the United States or the Government of the District of Columbia or any instrumentalities thereof;
  - (b) Sales to semipublic institutions that have a DC Certificate of Exemption (FR-551);
  - (c) Sales to a purchaser that furnished you with a DC Certificate of Resale (FR-368);
  - (d) Sales delivered to a purchaser outside the DC; and
  - (e) Certain sales within the District by a Qualified High Technology Company (QHTC) and certain sales to a QHTC.

**NOTE:** Charitable organizations must collect sales tax from the purchasers of items *sold* and remit the tax as indicated in item 3.

7. **RULES FOR REPORTING SALES AND GROSS RECEIPTS:** Report cash, credit or charge sales, including conditional sales, for the period the sale occurred, even if a portion of the sale price has not been collected. Do not deduct from taxable sales the refunds you issued for previously reported sales (see Overpayment of Sales or Use Tax) or sales of property that was subsequently repossessed. You may deduct uncollected balances of accounts (bad debts). Subsequent collections of bad debts must be reported in full in the period in which they are collected. Expenses of collecting bad debts are not deductible. (See Title 9 of the DC Municipal Regulations.)

**NOTE:** Title 9 of the DC Municipal Regulations may be purchased from the Office of Documents and Administrative Issuances, 441 Fourth St., NW, Suite 520-S, Washington, DC 20001.

## 8. PENALTIES AND INTEREST CHARGES:

- (a) A penalty of 5 percent per month is imposed for the failure to file a return or pay any tax due on time. It is computed on the unpaid tax for each month, or fraction of a month, that the return is not filed or the tax not paid. The penalty is not to exceed an amount equal to 25 percent of the tax due.
- (b) A penalty of 20 percent is imposed on the portion of an underpayment of taxes attributable to negligence. Negligence is a failure to make a reasonable attempt to comply with the law or to use 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.

**2002** FR-800A Sales and Use Tax Annual Return



OFFICIAL USE ONLY

FEDERAL EMPLOYER I.D. NUMBER  PERIOD ENDING (MM/DD/YYYY)

BUSINESS NAME

MAILING ADDRESS LINE 1   Fill in if your address is different from your last return

MAILING ADDRESS LINE 2

CITY  STATE  ZIP CODE

SOCIAL SECURITY NUMBER

ACCOUNT ID

NAIC CODE  DUE DATE

**A RETURN MUST BE FILED EVEN IF NO SALES WERE MADE OR NO SALES OR USE TAX IS DUE.**

COLUMN A DESCRIPTION	COLUMN B — TAXABLE AMOUNT	Multiply amount in Col. B by rate and enter in Col. C	COLUMN C — TAX DUE
1. USE Taxable at 5.75% 1B	\$ <input type="text"/>	X .0575 1C	\$ <input type="text"/>
2. USE Taxable at 8% 2B	\$ <input type="text"/>	X .08 2C	\$ <input type="text"/>
3. USE Taxable at 10% 3B	\$ <input type="text"/>	X .10 3C	\$ <input type="text"/>
4. TOTAL USE TAX (Add Lines 1, 2 and 3, Col C) 4C	\$ <input type="text"/>		\$ <input type="text"/>
5. SALES Taxable at 5.75% 5B	\$ <input type="text"/>	X .0575 5C	\$ <input type="text"/>
6. SALES Taxable at 8% 6B	\$ <input type="text"/>	X .08 6C	\$ <input type="text"/>
7. SALES Taxable at 10% 7B	\$ <input type="text"/>	X .10 7C	\$ <input type="text"/>
8. SALES Taxable at 12% 8B	\$ <input type="text"/>	X .12 8C	\$ <input type="text"/>
9. SALES Taxable at 14.5% 9B	\$ <input type="text"/>	X .145 9C	\$ <input type="text"/>
10. TOTAL TAXABLE SALES (Add Lines 5, 6, 7, 8 and 9 of Col. B) 10B	\$ <input type="text"/>	10. TOTAL SALES TAX (Add Lines 5, 6, 7, 8 and 9 of Col. C) 10C	\$ <input type="text"/>
11. TOTAL EXEMPT SALES THIS YEAR 11B	\$ <input type="text"/>	11C	\$ <input type="text"/>
12. TOTAL SALES (Add Lines 10 and 11 of Col. B) 12B	\$ <input type="text"/>	12. TAX DUE (Total of Lines 4 and 10 of Col. C) 12C	\$ <input type="text"/>
		13. PENALTY 13C	\$ <input type="text"/>
		14. INTEREST 14C	\$ <input type="text"/>
		15. TOTAL AMOUNT DUE (Add Lines 12, 13 and 14 of Col. C) 15C	\$ <input type="text"/>

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**PLEASE SIGN HERE**

Under penalty of law, I declare that this return, to the best of my knowledge, is correct. If prepared by a person other than the taxpayer, this declaration is based on all information available to the preparer.

Telephone Number of Person to Contact

**PAID PREPARER ONLY**

TAXPAYER'S SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

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 679, Washington, DC 20044-0679. Make check or money order payable to the DC Treasurer. Include your Federal Employer ID Number (or SSN), "FR-800A" and tax period on your payment.**