



THE GEORGE  
WASHINGTON  
UNIVERSITY  
WASHINGTON DC

**Responsible University Official:**  
Tax Manager  
**Responsible Office:** Tax  
Department  
**Origination Date:** March 22, 2002

## SALES TAX COLLECTION, REPORTING AND REMITTANCE POLICY

### Policy Statement

It is the policy of the University to comply with District of Columbia (D.C.) sales tax regulations by collecting, accounting for, reporting and remitting the required sales tax in a timely manner. Departments engaged in the sale of taxable goods and services must collect the sales tax, and must forward a monthly report to the Comptroller’s Office.

### Reason for Policy/Purpose

The purpose of this policy is to comply with state sales tax regulations and to protect the University from penalties for failure to timely file complete and accurate tax returns.

### Who Needs to Know This Policy

Faculty and staff

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## **Policy/Procedures**

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### **I. General Requirements**

Although the University is exempt from paying sales tax on qualified goods and services it purchases for its educational operations, the University's tax exempt status does not extend to other resale groups or individuals (i.e. students or employees).

The University must collect sales tax on sales of any tangible personal property (rented or sold), selected services rendered and ticket sales for admissions to public events. Tangible personal property includes items such as computers, mugs, T-shirts and concessions. Sales tax also must be collected from the rental of rooms to transients, parking sales and admissions to sporting events. Activities that are *not* generally subject to sales tax include those services related to the University's core educational mission, such as agreements pertaining to teaching services, internships, research or related consulting agreements. In addition, live performances such as concerts, opera and dance are not subject to sales tax. Any question as to whether a specific activity is subject to sales tax should be directed to the Tax Department.

### **II. Departmental Responsibilities**

Any GW department engaged in the sale of taxable goods and services must collect the sales tax and forward a monthly report to the Comptroller's Office, University Accounting Services, by the 10<sup>th</sup> of the following month. The reported information must include the completed Monthly Sales and Use Tax Return, which reports total sales revenue and sales tax collected, and a completed GW Payment Request Form. Collected taxes will be deposited in, accounted for and remitted from the sales tax liability account 21281. All sales tax remittances to the tax authorities will be coordinated through the University Accounting Services.

Please note, even if no tax is due, the department is still required to complete the Monthly Sales and Use Tax Monthly Return Form for the period. Pre-printed Monthly Sales Tax Returns are provided to each department by University Accounting Services. Blank tax forms, including forms obtained from the web, cannot be used since the D.C. tax authorities have provided pre-printed forms with unique account numbers for each GW sales activity.

Sales tax forms *cannot* be mailed directly to the D.C. Government by a department. All sales tax returns are submitted to the tax authorities on behalf of departments by the University Accounting Services department.

It is important to note that activities in jurisdictions other than D.C. may be subject to sales taxes in those jurisdictions. Any questions about whether the sale of a particular good or service is subject to sales tax in D.C. or another jurisdiction should be directed to the Tax Department for resolution before the sale takes place.

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## Website Addresses for This Policy

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[GW University Policies](#)

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## Contacts

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<b>Office</b>	<b>Department</b>	<b>Phone</b>
Comptroller's Office	University Accounting Services	(703) 726-4200
	Tax Department	(703) 726-8313

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## Who Approved This Policy

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Louis H. Katz, Executive Vice President and Treasurer

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## History/Revision Dates

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<b>Origination Date:</b>	March 22, 2002
<b>Last Amended Date:</b>	June 30, 2006
<b>Next Review Date:</b>	July 31, 2012