

2014 FR-900A Employer/Payor
Withholding Tax Booklet
Annual Return

Secure - Accurate - Convenient ...

File Electronically Today!
www.taxpayerservicecenter.com



Reminders

- Employers or payors must file Forms W-2 or 1099 electronically if the number of W-2 or 1099 forms is 25 or more. If 24 or fewer, the employer or payor may file electronically (upload or use online data entry, or CD), or as paper forms attached to the Transmittal Form W-2/1099T.
- W-2 or 1099 forms must be transmitted to the DC Office of Tax and Revenue (OTR) on or before January 31 of the year following the tax year for which they are issued whether they are filed on paper, on CD or electronically.
- If your payment exceeds \$5000 per period, you shall pay electronically. If you are paying by e-check or credit card and the amount exceeds \$1M, **you must split the payment.**

General Instructions

Withholding Annual Tax Return

Who must file a Form FR-900A?

Every employer who pays wages to a DC resident or payor of lump-sum distributions who withholds DC income tax must file a DC Withholding tax return. This includes individual employers who have household employee(s). Lump-sum distributions do not include:

- (a) any portion of a lump-sum payment that was previously subject to tax;
- (b) an eligible rollover distribution that is effected as a direct trustee to trustee transfer; and
- (c) a rollover from an individual retirement account to a traditional or Roth individual retirement account that is effected as a direct trustee to trustee transfer.

An employer or payor who fails to withhold or pay withholding taxes to DC is personally liable for the tax.

What must be filed?

You must file your FR-900A return even if you withheld no tax or no payment is due.

If your withholding tax liability is less than or equal to \$200 per period, file an annual return, FR-900A. If your withholding tax liability is greater than or equal to \$201 and less than or equal to \$1200 per period, file a quarterly return, FR-900Q. If your withholding tax liability is greater than or equal to \$1201 per period, file a monthly return, FR-900M. If you need to change your filing frequency, contact the Customer Service Administration at (202) 727-4TAX (4829).

If your payment exceeds \$5,000 per period, you shall pay electronically. Visit www.taxpayerservicecenter.com for instructions.

Which other DC form may withholding taxpayers need to file?
Combined Registration Application For Business DC Taxes/Fees/Assessments (FR-500)

Before conducting business in the District of Columbia (“District”) you must file a Combined Registration Application For Business DC Taxes/Fees/Assessments (FR-500) with the Office of Tax and Revenue (OTR). There is no charge for registering. You may obtain the FR-500 from our website: www.taxpayerservicecenter.com or you may call 202-442-6546. You may also complete the registration online.

This form is also available at the OTR Customer Service Administration, 1101 4th Street, SW, 2nd Floor, Washington,DC.

List on the FR-500 all locations in the District for which you will be making payments requiring withholding.

The FR-900B, Annual Reconciliation form will only be available as a fill in form on the DC website or by using a substitute form.

Wage and Tax Statement (W-2)

The W-2 must be accompanied with the FR-900B. You must include your Federal Employer Identification Number (FEIN) or Social Security Number (SSN) on all W-2 forms issued to employees from whom you withheld DC taxes. If you file electronically, you must file the W-2 forms electronically.

File W-2 forms electronically if filing 25 or more forms. If 24 or fewer forms, you may file electronically using online data entry, or submit as paper forms attached to the transmittal, Form W-2/1099T to:

Office of Tax and Revenue
1101 4th Street, SW, FL4
Washington, DC 20024

File Forms W-2 by January 31 of each year.

The 1099 series must be accompanied with the FR-900B. You must include your Federal Employer Identification Number (FEIN) or Social Security Number (SSN) on all 1099 series forms issued to taxpayers from whom you withheld DC taxes. File 1099 series forms on a CD in PDF format by January 31 of each year. Submit the CD to the:

Office of Tax and Revenue
1101 4th Street, SW, FL4
Washington, DC 20024

Please include the FEIN, 1099 and year on the CD.

NOTE: The OTR offers an electronic web-based interface for W-2 and W-2C transmissions. This can be used both for 24 or fewer W-2's and for files containing more than 25 W-2's. A data entry interface is provided on the OTR website for online keying of small batches of W-2's (24 or fewer). A file transfer interface is provided for all W-2 or W-2C files, with EFW2 and EFW2C format specified. Visit the OTR website at www.taxpayerservicecenter.com for details.

When are your taxes due?

You must file your annual return and pay any withholding due on or before the 20th day of January following the year being reported.

If the due date falls on a Saturday, Sunday, or legal holiday, the return is due the next business day. You must file a return, even if you did not withhold from wages or other payments. Otherwise, you will receive a delinquency notice.

Filing your return

This booklet has all the forms and instructions you will need. It is mailed to each registered taxpayer except those who file electronically or use a substitute form. It also contains mailing labels. You are responsible for filing and submitting the withheld amounts on time whether or not you receive the printed forms.

• Substitute forms

You may file your DC withholding return using a computer-prepared or computer-generated substitute form, provided the form is approved in advance by OTR. The fact that a software package is available for retail purchase does not mean that the substitute form has been approved for use. Call or check with the software developer to determine if their form is a DC OTR approved form.

• By mail

If mailing a return with a payment, make the check or money order payable to the DC Treasurer. Write your Federal Employer Identification Number (FEIN) or Social Security Number (SSN), FR-900A, and the tax year on the payment. If mailing a return with or without a payment, send your return to:

Office of Tax and Revenue
PO Box 96385
Washington, DC 20090-6385

Electronic Payment Options

If your payment exceeds \$5,000 per period, **you shall pay electronically.** Refer to the Electronic Funds Transfer (EFT) Payment Guide available on the DC

website at www.taxpayerservicecenter.com for instructions for electronic payments. The electronic taxpayer service center (eTSC) does not allow the use of foreign bank accounts.

Payment options are as follows:

- Electronic check (e-check). E-check is similar to ACH debit, but it is a one-time transaction where the taxpayer provides the banking information at the time of payment instead of storing the information. There is no fee for business e-check payments.
- ACH Credit. ACH credit is for business taxpayers only. There is no fee charged by the OTR, but the taxpayer's bank may charge a fee. The taxpayer directly credits the OTR's bank account. A taxpayer does not need to be eTSC registered to use this payment type, and does not need access to the website.

Note: When making ACH credit payments through your bank, please use the correct tax type code (00300) and tax period ending date (YYMMDD).

- ACH Debit. ACH debit is for registered eTSC business taxpayers only. There is no fee. The taxpayers' bank routing and account numbers are stored within the online eTSC account. This account can be used to pay any existing liability. The taxpayer gives the OTR the right to debit the money from their bank account.

- Credit/Debit Card. The taxpayer may pay the amount owed using Visa®, MasterCard®, Discover® or American Express®. You will be charged a fee that is paid directly to the District's credit card service provider. Payment is effective on the day it is charged.

Note: Dishonored payments. Make sure your check or electronic payment will clear. You will be charged a \$65 fee if your check or electronic payment is not honored by your financial institution and returned to the OTR.

Note: International ACH Transaction (IAT). Your payment cannot be drawn on a foreign account. You must pay by money order (US dollars) or credit card instead.

Penalties and interest

OTR will charge:

- A penalty of 5% per month if you fail 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 is not paid. It may not exceed an additional amount equal to 25% of the tax due;
- A 20% penalty on the portion of an underpayment of taxes if attributable to negligence. Negligence is 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 failure to keep adequate books and records;

- Interest of 10% per year, compounded daily, on a late payment;
- A one-time fee to cover internal collection efforts on any unpaid balance. The collection fee assessed is 10% of the tax balance due after 90 days. Payments received by the OTR on accounts are first applied to the collection fee, then to penalty, interest and tax owed;
- A civil fraud penalty of 75% of the underpayment which is attributable to fraud (see DC Official Code §47-4212).

Criminal penalties

You will be penalized under the criminal provisions of the DC Official Code, Title 47 and any other applicable penalties, if you are required to file a return or report, or perform any act and you:

- Fail to file the return or report timely. If convicted, you will be fined not more than \$1,000 or imprisoned for not more than 180 days, or both, for each failure or neglect;

- Willfully fail to file the return or report timely. If convicted, you will be fined not more than \$5,000 or imprisoned for not more than 180 days, or both;
- Willfully attempt to evade or defeat a tax; willfully fail to collect, account for, or pay a tax or willfully make fraudulent or false statements.

Corporate officers may be held personally liable for the payment of taxes owed to DC.

Enforcement actions

The OTR may use lien, levy, seizure, collection agencies and liability offset if a taxpayer fails to pay the District within 20 days after receiving a Notice of Tax Due and a demand for payment. Visit www.taxpayerservicecenter.com.

Special circumstances

Final return

If you are not required to continue filing a return due to the ending of business operations, fill in the “final return” oval on the return. We will then cancel your filing requirement.

If you are not going out of business, do not use this oval to indicate the return is the final for the month, year or quarter.

Amended returns

You can correct a previously filed return by filing an amended return. Fill in the “amended return” oval on the FR-900A and show the corrected figures.

Mail the amended return and any additional attachments to the OTR, PO Box 96385, Washington, DC 20090-6385. We do not offer the ability to file amended returns electronically.

Change of Name or Address

Do not make a change on the return if you received a personalized return. For any name or address change, fill out the FR-900C, “Change of Name or Address,” form in this booklet and mail it to the Office of Tax and Revenue, PO Box 470, Washington, DC 20044-0470.

Note: If you are requesting to change the business name, Articles of Amendment must accompany the form FR-900C.

Getting started

To complete the paper Form FR-900A, in general you will need:

- A pen with black ink
- A calculator

Not all items will apply. Fill in only those that do apply. If an amount is zero, make no entry, leave the line blank.

Account Number

The account number must be the number that was provided by the OTR when you registered. **Omission of the account number will cause delays in processing your return. Taxpayers are responsible for providing their assigned OTR account number to their tax practitioner or persons that are completing the withholding tax return.**

Taxpayer Identification Number(s) (TIN)

You must have a TIN, whether it is a Social Security Number (SSN) or a Federal Employer Identification Number (FEIN).

- A SSN is a valid number issued by the Social Security Administration (SSA) of the US Government. To apply for a SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213;
- A FEIN is a valid number issued by the Internal Revenue Service (IRS). To apply for a FEIN, get Form SS-4, Application for Employer Identification Number, or get this form online at www.irs.gov/businesses and clicking on Employer Identification Number (EIN), under Starting a Business. You may also get this form by calling 1-800-TAX-FORM (1-800-829-3676).

You must wait until you receive either number before you file a DC return. Your return may be rejected if your TIN is missing, incorrect or invalid. The District conforms with Section 405, Title 42, of the US Code in requesting your SSN be provided in the completion of this form. Your SSN will be used to establish your identity for tax purposes only.

Help us identify your forms and attachments

Write your FEIN/SSN, tax period, tax form number, business name and address on any statements submitted with the return or filed separately. The FEIN/SSN is used for tax administration purposes only.

Incomplete forms will delay processing

Complete the identification section and then complete the applicable withholding Line 1 on the FR-900A, otherwise processing your return will be delayed.

Filling out the form

To aid us in processing your return, please follow these rules:

Using black ink, print in CAPITAL letters. **ROBERTS**

Leave a space between words and between numbers and words. **8 ELM**

Write 3s with rounded tops, not flat tops. **37** ~~**37**~~

Write 7s without middle bars.

Enter cents in the appropriate boxes. **\$ 57204.99**

Personal Information

Complete the personal information as instructed, using CAPITAL letters and black ink. Use one block per letter, including a space between address fields. Please write clearly, otherwise, processing your return may be delayed.

Signature and verification

An authorized officer of the corporation must sign and date the return. A receiver, trustee, or assignee must sign any return that he/she is required to file for the corporation. Any person who prepared the return for compensation must also sign, date and provide the necessary identification number. If a firm or corporation prepares a return, it should be signed in the name of the entity. The signature requirement does not apply when a taxpayer's regular employee prepares the return. Please review the tax return before you allow a paid preparer to issue a return on your behalf.

Preparer Tax Identification Number (PTIN)

If you are a paid preparer of federal returns, you are required to have a PTIN issued by the IRS. A PTIN is a number issued and authorized by the IRS to file a return on the taxpayers' behalf. Please include your PTIN.

Key website resources

- **DC Official Code**
<http://www.lexisnexis.com/hottopics/dccode/>
- **DC Regulations**
<http://www.dcregs.dc.gov/>
- **US Department of State Tax Exemption Cards**
www.state.gov/ofm/tax/
- **DC Tax Forms/Publications**
<http://otr.cfo.dc.gov/page/tax-forms-and-publications>
- **Mailing Address for Returns**
<http://otr.cfo.dc.gov/node/392882>
- **Electronic Funds Transfer (EFT) Guide**
<http://otr.cfo.dc.gov/publication/electronic-funds-transfer-payment-guide-eft>
- **NACHA Guidelines**
<http://www.nacha.org/>
- **Social Security Administration**
<http://ssa.gov/>
- **Internal Revenue Service**
<http://www.irs.gov>

2014 FR-900A Employer/Payor Withholding Tax – Annual Return



Important: Print in CAPITAL letters using black ink.

Taxpayer Identification Number

Fill in if FEIN

Fill in if SSN

Account Number

Business name

Business mailing address 1

Business mailing address 2

City

State

Zip Code + 4

Telephone number of person to contact

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

Taxpayer's Signature

Title

Date

Tax Period Ending (MMYY)

Fill in if final return

Due Date

Fill in if amended return

OFFICIAL USE ONLY
Vendor ID#0000

- DC income tax withheld this year on wages (W-2)
- DC income tax withheld this year on non-wage payments (1099)
- Penalty-5% per month with a maximum of 25%
- Interest - 10% per year
- Total Amount Due

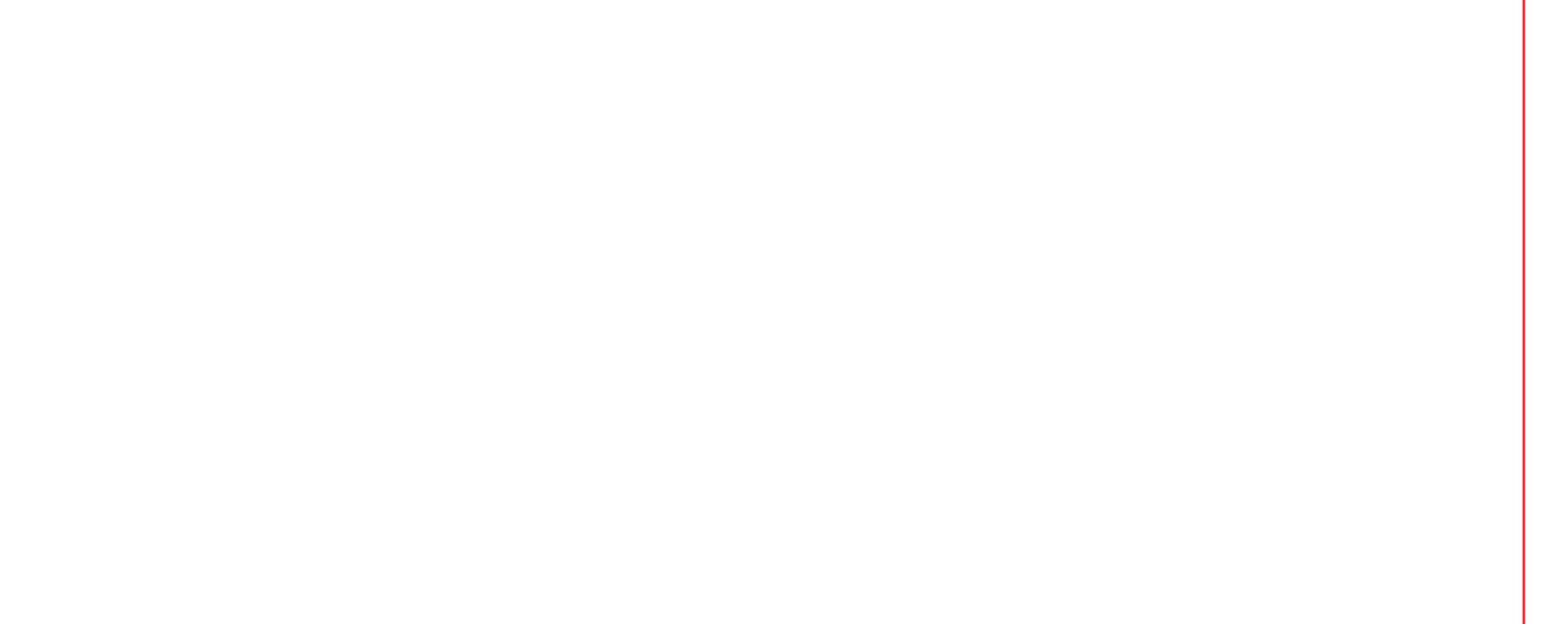
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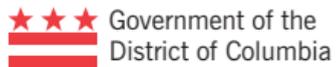
Preparer's PTIN

Preparer's Signature

Date







Form W-2T/1099T Transmittal for Paper Forms W-2 and 1099

**Attach wage (W-2) and non-wage (1099) forms and mail to: Office of Tax and Revenue
1101 4th St., SW, FL4
Washington, DC 20024**

Taxpayer Identification Number

Fill in if FEIN

Period ending MMY

Account Number *(provided by OTR)*

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Fill in if SSN

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Business name

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Telephone number of person to contact

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Mailing address line 1

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Mailing address line 2

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Remarks

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City

State

Zip Code + 4

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OFFICE OF TAX AND REVENUE
PO Box 96385
WASHINGTON DC 20090-6385



