

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF TAX AND REVENUE



2011 Sales Tax Law Change
OTR Tax Notice 2011-02
August 29, 2011

Parking Sales and Use Tax Rate Increase

Effective October 1, 2011, the District of Columbia sales and use tax rate applicable to gross receipts from the sale of, or charges for, the service of parking or storing motor vehicles or trailers has been increased from 12 percent to 18 percent.

Parking Contracts

The tax due on parking or storage contracts applies to each period covered, regardless of the length of the contract or the date the parking contract was signed. Payments for parking periods beginning on or after October 1, 2011, are subject to tax at the 18 percent rate. Accordingly, providers of parking services billing in advance for parking services to be provided on or after October 1, 2011, should bill the tax at the 18 percent rate.

Sales and use tax returns being provided for periods beginning on and after October 1, 2011, will reflect the new 18 percent rate applicable to charges for parking.

For additional information, please contact OTR's Customer Service Center at (202) 727-4TAX.