

# THE DISTRICT OF COLUMBIA QUALIFIED HIGH TECHNOLOGY COMPANIES FORMS AND REQUIREMENTS



## REMINDER:

### Corporate QHTC Franchise Tax, Exemption, and Credits Schedule

Incorporated Qualified High Technology Companies (QHTC) must now report their corporate QHTC franchise tax, corporate QHTC franchise tax exemption, and corporate QHTC credits, on page 4 of Form D-20 and Schedule UB.

See instructions in the D-20 and FR-399 tax form booklets for details.

For Tax Year 2017, two new worksheets have been added to the FR-399 QHTC Booklet:

- FP-333–Tax Credit for Wages Paid to Qualified Employees
- FP-334–Tax Credit for Wages Paid to Qualified Disadvantaged Employees

## NOTE:

A QHTC business that is **not a corporation** is exempt from the unincorporated business franchise tax. However unincorporated QHTCs must either file a D-65 Partnership Return if applicable, or a D-40 Individual Income Tax Return with Federal Schedule C (Form 1040) attached.

# HAVE QUESTIONS ABOUT YOUR TAX FILING?

Additional information  
can be found at [MyTax.DC.gov](http://MyTax.DC.gov),  
by calling (202) 759-1946  
or emailing [e-services.otr@dc.gov](mailto:e-services.otr@dc.gov)



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## WHAT'S NEW?

### Online Sales and Use Tax Exemption Certificate Application Process for Qualified High Technology Companies (QHTC)

The District of Columbia Office of Tax and Revenue (OTR) has made changes to the QHTC process. Effective **November 1, 2017**, OTR will implement a new online QHTC certification (QHTC-CERT) application process for **sales and use tax accounts**. QHTC taxpayers will be required to complete an online application and attach all applicable documentation in support of the request for certification using OTR's web portal, [MyTax.DC.gov](http://MyTax.DC.gov).

All Sales and Use tax exemption applications must include, but are not limited to, the following information:

- 1 Taxpayer ID Number;
- 2 Name;
- 3 Address;

- 4 Proof of a DC office location (attach a copy of lease agreement or proof of ownership);
- 5 Proof of at least 2 employees in the District (attach a copy of the previous quarter's unemployment report);
- 6 Sales Tax Account Number;
- 7 NAICS Code;
- 8 Information demonstrating QHTC eligibility;
- 9 First year certified as QHTC;
- 10 Explanation of principal business activity;
- 11 Amount of QHTC Exempt Sales/Purchases from the prior year (broken down by period);
- 12 Number of QHTC employees hired;
- 13 Number of QHTC employees hired who are District residents;
- 14 Number of QHTC jobs created in the past year;
- 15 Gross revenue; and
- 16 Gross revenue earned from QHTC activities in the District.

QHTC Exempt Purchase Certificates will be issued when the annual QHTC-CERT application is completed on [MyTax.DC.gov](http://MyTax.DC.gov). QHTC Exempt Purchase Certificates issued prior to the new online application process and without an expiration date will not be valid after **January 31, 2018**.

### Revised FR-399 Qualified High Technology Companies Tax Booklet

For **Tax Year 2017**, the following Sales and Use tax forms will no longer be available in the FR-399 QHTC booklet, and must be completed online at [MyTax.DC.gov](http://MyTax.DC.gov):

- FP-331—Claim for Refund (Sales and Use Tax)
- FP-337—QHTC Exempt Purchase Certificate
- OTR-368—Certificate of Resale

