★ ★ ★ Government of the District of Columbia
Office of the Chief Financial Officer
Office of Tax and Revenue

2011 FR-900Q Employer's Withholding Tax Booklet

Quarterly Returns and Annual Reconciliation and Report

Secure - Accurate - Convenient ...

File Electronically Today!
www.taxpayerservicecenter.com

DISTRICT OF COLUMBIA

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ELECTRONIC TAXPAYER SERVICE CENTER

FR-900Q (REV. 09/10)

What's New .....

- **We Have Moved**
  The Office of Tax and Revenue (OTR) has relocated its customer service centers and offices to 1101 4th Street, SW. The new location consolidates the OTR services including the Recorder of Deeds. The new location is conveniently adjacent to the Green Line Metrorail (Waterfront-SEU).

- **Amended Return (see instructions)**

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Important Information

- We encourage you to file and pay electronically. Visit www.taxpayerservicecenter.com for electronic payment options. Payments may also be made at any Wachovia Bank in the District of Columbia (DC). If your liability is greater than $10,000, **you must file and pay electronically.**

- If you complete a FR-900Q paper return, mail it with your payment using the mailing labels in the back of this booklet. The mailing address is: Office of Tax and Revenue, PO Box 96385, Washington, DC 20090-6385.

- Mail the Employer Withholding Tax Annual Reconciliation and Report – FR-900B and any payment to: Office of Tax and Revenue, PO Box 96385, Washington, DC 20090-6385. Use the FR-900B in this booklet for tax year 2011 only and not tax year 2010.

- 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 greater than 50. If 50 or fewer, you may file electronically or as paper forms attached to the transmittal, Form W-2T to: Office of Tax and Revenue, 1101 4th St. SW, FL4, Washington, DC 20024. The W-2 forms are due by February 28, 2011 if filing electronically, otherwise they are due by January 31, 2011.

- Make the check or money order payable to the DC Treasurer. Include your FEIN or SSN, FR-900Q or FR-900B and the tax period on your payment.

- You must file your FR-900Q returns and the FR-900B even if you withheld no tax or no payment is due. If you have gone out of business or are otherwise no longer required to file, fill in the "Final return oval" on the FR-900Q. We will then cancel your filing requirements.

- For any name or address changes, fill out both sides of 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. Do not make a change on the return if you received a pre-printed return.

Notice

The OTR offers an electronic web-based interface for W-2 and W-2C transmissions. This can be used both for 50 or fewer W-2s and for files containing more than 50 W-2s (submitted on magnetic media in MMREF-1 format in past years). A data entry interface is provided on the OTR website for online keying of small batches of W-2s (50 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.

International ACH Transaction (IAT)

For electronic filers, in order to comply with new banking rules, you will be asked the question "Will the funds for this payment come from an account outside of the United States?". If the answer is yes, you will be required to pay by check or credit card. Please notify this agency if your response changes in the future.

Instructions

Electronic filing instructions

The instructions in this booklet are specifically for filers of paper returns. When you file electronically, note that the instructions may differ. Follow the "on screen" instructions. If you need further explanations, review the instructions in this booklet.

Substitute forms

You may file your DC tax return using a computer-prepared or computer-generated substitute form provided the form is approved in advance by the OTR. The fact that a software package is available for retail purchase does not mean that the substitute form has been approved for use.

Taxpayer Identification Number(s) (TIN)

You must have a TIN, whether it is a SSN or FEIN.

- **If you apply for a SSN**, it must be a valid number issued by the Social Security Administration (SSA) or the United States 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.

- **If you apply for a FEIN,** it must be a valid number issued by the Internal Revenue Service (IRS). To apply for a FEIN, get Form SS-4, Application for Employer Identification Number (EIN), online at www.irs.gov/businesses, click 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. It could be subject to a balance due or disallowance of credits or exemptions if your dependents or other non-qualifying person TIN's are missing, incorrect or invalid.

Final returns

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 requirements. **Do not use this oval to indicate the return is final for the period being reported.**

Employer Withholding Tax Quarterly Return

Filing period and due dates

Your FR-900Q return is due by the 20th day of the quarter following the month being reported. For example, the 1st quarter 2011 return is due April 20, 2011. The remaining tax year 2011 quarters are July 2011, October 2011 and January 2012.

Who must file?

Every employer who pays wages to a DC resident and/or withholds DC income tax from an employee must file a DC Employer Withholding Tax Return. This includes individual employers who have household employee(s).

NOTE: If your DC withholding total is less than or equal to $200 per period, file an annual withholding return, FR-900A. If your DC withholding tax liability is greater than or equal to $201 and less than or equal to $1201 per period, file a quarterly withholding return, FR-900Q. If your DC withholding is greater than or equal to $1201 per period, file a monthly withholding return, FR-900M. If your tax liability is greater than $10,000 per period, you may file and pay electronically. You may call the OTR at (202) 727-4TAX (4829) to change your filing frequency.

Forms

This booklet has all the forms and instructions you need to file your returns. It is mailed to each registered taxpayer except those filing electronically or using a substitute form. You are responsible for filing and paying taxes on time whether or not you receive the forms.

Account number

The account number must contain the number that was provided by OTR when you registered. Omission of the account number could potentially cause delays in processing your return.

Preparer Tax Identification Number (PTIN)

A PTIN is issued by the IRS to a paid preparer who applies for one. For tax identification purposes, a PTIN may be used instead of the preparer's SSN or FEIN.

Payments

Include your FEIN or SSN, FR-900Q and tax year on your payment. There are three payment options:
* Electronically - If your liability is greater than $10,000 per period, **you must pay electronically.** There is a fee for use of a credit card

to make payments. Visit www.taxpayerservicecenter.com for instructions.

- Mail - Make your payment payable to the DC Treasurer; mail it with your return to the Office of Tax and Revenue, PO Box 96385, Washington, DC 20090-6385.
- Bank - You may pay at any Wachovia Bank in DC.

When using the FR-900B, Employer Withholding Tax Annual Reconciliation and Report, mail it with any payment, to the Office of Tax and Revenue, PO Box 96385, Washington, DC 20090-6385. Write your FEIN or SSN, FR-900B and the tax year on your payment. Mail this form separately from your quarterly return. It is due January 31, 2012 or within thirty (30) days of your final payroll.

Dishonored payments
You will be charged $65 for any payment not honored by your financial institution and returned to OTR.

Submission of W-2 forms
You must submit all W-2 forms issued to a DC resident regardless of whether you withheld any DC income tax for that employee. Every W-2 or W-2C form you issued must show your FEIN or SSN and the amount of DC income tax withheld during the year. These forms are due by January 31, 2011, if filed on paper (50 or fewer), or by the last day of February if filed electronically. Use transmittal Form W-2T to mail **50 or fewer** paper forms. If the number of W-2 forms you are sending is **more than 50,** submit them electronically. Visit www.taxpayerservicecenter.com. Click "Tax Forms/Publications", "Business", "Withholding", "Electronic W-2 Filing".

Penalty and interest charges
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 a 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 a 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 20% of the tax balance due after 90 days. Payments received by OTR on accounts subject to the fee are first applied to the fee then to penalty, interest and tax owed.
- A civil fraud penalty of 75% of the underpayment which is attributable to fraud (see DC Code §§47-4212).

Enforcement actions
- OTR may use lien, levy, seizure, collection agencies and liability offset if a taxpayer fails to pay the District within 10 days after receiving a Notice of Tax Due and a demand for payment. Visit www.taxpayerservicecenter. Click "Information", "Collection Division", "Enforcement Actions".

Criminal penalties
You will be penalized under the provisions of Title 47 of the DC Code 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 occurrence.

- 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; or willfully fail to collect, account for, or pay a tax; or willfully making fraud and false statements or failing to provide information.

See DC Code §§47-4101 through 4107.

These penalties are in addition to penalties under DC Code §22-2405 for false statements (and any other applicable penalties). Corporate officers may be held personally liable for the payment of taxes owed to DC, if not paid.

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

Form FR-900Q — Employer Withholding Tax Quarterly Return

Line 1   Enter your total DC income tax withheld during the quarter. If you were not required to withhold, leave this line blank.

Line 2   Enter the adjustments to a previous quarter of the year. If minus, fill in the oval.

Line 3   Enter the amount of the tax due.

Form FR-900B — Employer Withholding Tax Annual Reconciliation and Report

NOTE: The FR-900B in this booklet is the 2011 tax year form, **do not use it to file your 2010 tax year reconciliation and report**. Refer to your 2010 FR-900Q booklet for your 2010 FR-900B.

Line 1   Enter your total DC income tax withheld during 2010 as shown on the Withholding Statements (Forms W-2). If you were not required to withhold, leave this line blank.

Line 2   Enter the total DC income tax withheld and paid to DC with your FR-900Q returns for the year.

Line 3 Additional tax due - if Line 1 is more than Line 2, enter the difference on Line 3. If your tax liability is not paid timely, OTR will automatically calculate any penalty and interest you owe from the due date of the return to the date the tax is paid.

Line 4 Overpayment - If Line 1 is less than Line 2, enter the difference on Line 4. If you do not owe additional amounts, this is the amount that will be refunded.

Government of the District of Columbia

2011 FR-900Q Employer Withholding Tax – Quarterly Return

Important: Print in CAPITAL letters using black ink.

Taxpayer Identification Number

Fill in ◯ if FEIN

Fill in ◯ if SSN

Tax Period Ending (MMYY)

Fill in ◯ if final return

1 1 9 0 0 0 7 1 0 0 0 0

OFFICIAL USE ONLY
Vendor ID#0000

Business name

Account Number

Business mailing address line 1

Due Date

Business mailing address line 2

1. DC income tax withheld this quarter $

2. Adjustment to a previous quarter of this year. Fill in circle if minus. ◯ $

City   State   Zip Code + 4

3. Tax Due $

Telephone number of person to contact

Preparer's FEIN, SSN or PTIN

Voucher number:

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   Paid preparer's signature   Date

Government of the District of Columbia

2011 FR-900B Employer Withholding Tax Annual Reconciliation and Report

11900021000

Important: Print in CAPITAL letters using black ink.

Taxpayer Identification Number

Fill in ◯ if FEIN

Fill in ◯ if SSN

Fill in ◯ if amended return

Tax Period Ending (MMYY)

OFFICIAL USE ONLY
Vendor ID#0000

Business name

Account Number

Due Date

Business mailing address line 1

Business mailing address line 2

City

State

Zip Code + 4

1. DC income tax withheld this year per W-2s

$ __ __ __ __ __ __ __ __ . __ __

2. Total withholding tax paid to DC this year on Forms FR-900M or FR-900Q

$ __ __ __ __ __ __ __ __ . __ __

3. Additional Tax Due (if Line 1 is more than Line 2)

$ __ __ __ __ __ __ __ __ . __ __

4. Overpayment (if Line 1 is less than Line 2)

$ __ __ __ __ __ __ __ __ . __ __

Preparer's FEIN, SSN or PTIN

Taxpayer name

FEIN/SSN

	Employer's DC withholding tax reconciliation		
	Date Paid	Tax Paid	Explanation
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
Total for the year			

1 1 9 0 0 0 0 2 2 0 0 0 0

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

Paid preparer's signature

Date

Government of the District of Columbia

FR-900C Change of Name or Address

If there are changes to your FEIN, business name, address or contact person, please complete both sides of this form and mail it to the Office of Tax and Revenue, PO Box 470, Washington, DC 20044- For all other changes, call the Customer Service Administration at (202) 727-4(TAX) 4829.

Important: Print in CAPITAL letters using black ink.

Previous taxpayer identification number

Fill in ◯ FEIN ◯ SSN

OFFICIAL USE

Old business name

Old business address

Old mailing address

City   State   Zip Code + 4

New taxpayer identification number

Fill in ⬭ if FEIN   ⬭ if SSN

New business name

New business address

New mailing address

City   State   Zip Code + 4

Contact person   Contact telephone number

For all other changes, call the Customer Service Administration at (202) 727-4(TAX) 4829.

FR-900C P2

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

EMPLOYER'S
QUARTERLY WITHHOLDING RECORD

QUARTER	DC INCOME TAX WITHHELD	DATE PAID
APR		
JULY		
OCT		
JAN		

RECONCILIATION

Annual Payroll	(a) Payroll Tax Paid	(b) Tax per W-2s	Difference (Block a minus Block b)