

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



October 17, 2022

OTR TAX NOTICE 2022 - 08

DISTRICT OF COLUMBIA WITHHOLDING FOR TAX YEAR 2022

The Tax Cuts and Jobs Act (TCJA) suspended personal exemptions and many itemized deductions. This impacted the District's ability to produce withholding tables. Taxpayers are encouraged to use the new 2022 tax rate schedule available at <https://otr.cfo.dc.gov/release/district-columbia-tax-changes-take-effect-october-1-real-property-individual-income-and> and the federal allowance amount for tax year 2022.

Also, taxpayers should use the new rates to withhold on lump-sum distributions from retirement accounts or retirement plans. These distributions require withholding at the highest District income tax rate, which is currently 10.75%.

Please note, withholding is not required on the following distributions:

- Any portion of a lump-sum payment that was previously subject to tax;
- An eligible rollover distribution that is effected as a direct trustee-to-trustee transfer; or
- 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.¹

For additional information, please contact OTR's Customer Service Center at [e-services.otr@dc.gov](mailto:services.otr@dc.gov) or (202) 759-1946.

¹ D.C. Code § 47-1812.08(m)(2).