

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer
Office of Tax and Revenue



OTR TAX NOTICE 2013-02

Restaurant Utility Exemption

The Council of the District of Columbia has enacted a new sales and use tax exemption for sales of electricity to separately metered or sub-metered restaurants, effective August 1, 2013. This new exemption is similar to the existing exemption for sales of gas to restaurants. A “restaurant” entitled to this exemption includes a pizzeria, delicatessen, ice cream parlor, cafeteria, take-out counter and caterer, and banquet and food processing areas in hotels. However, “restaurant” does not include beverage counters such as coffee shops and juice bars. No energy study is required in order to obtain this exemption.

Obtaining a Utility Exemption

- 1) If you are not now receiving an exemption for electricity or gas (or both) used in your restaurant, you may obtain it by completing OTR Form OTR-308B located on our website here:

<http://otr.cfo.dc.gov/page/miscellaneous-tax-forms-and-publications-0>.

- 2) You will need to complete a separate form for each utility meter and restaurant location for which you are requesting an exemption.
- 3) The restaurant must be separately metered or sub-metered in order to receive the exemption. For example, a restaurant located in a hotel cannot share the same utility meter as the hotel itself. If your restaurant is not separately metered or sub-metered, you may need the assistance of an electrician.
- 4) Mail the original completed form to your utility provider.
- 5) Be sure to keep a copy of the completed form for your records.

Upon receipt of a completed form, the utility provider will remove the sales tax for subsequent bills.

Should you have any questions, please contact OTR’s Customer Service Center at 202-727-4TAX (4829)