



**THE GEORGE
WASHINGTON
UNIVERSITY**
WASHINGTON, DC

Responsible University Official: Tax
Manager

Responsible Office: Tax Department

Last Revised Date: September 25, 2013

SALES TAX COLLECTION, REPORTING AND REMITTANCE

Policy Statement

It is the policy of the university to comply with state sales tax regulations by collecting, accounting for, reporting and remitting the required sales tax in a timely manner. Departments engaged in the sale of taxable goods and services must collect the sales tax and must forward a monthly report to University Accounting Services in the Comptroller’s Office.

Reason for Policy

The purpose of this policy is to make departments aware of state sales tax regulations and to support the university's filing of complete and accurate tax returns.

Who is Governed by this Policy

Faculty and staff

Table of Contents

| | |
|---|---|
| Policy Statement | 1 |
| Reason for Policy | 1 |
| Who is Governed by this Policy | 1 |
| Table of Contents | 1 |
| Policy | 2 |
| Contacts | 3 |

Document History 3
Who Approved This Policy 3

Policy

I. General Requirements

Although the university is exempt from *paying* sales tax on qualified goods and services it purchases for its educational operations, the university's tax exempt status does not extend to other resale groups or individuals, i.e. students or employees.

The university must *collect* sales tax on sale or rental of any tangible personal property, selected services rendered and ticket sales for admissions to public events. Tangible personal property includes items such as computers, mugs, T-shirts and concessions. Sales tax also must be collected from the rental of rooms to individuals for stays of 90 days or less, parking sales and admissions to sporting events. Activities that are *not* generally subject to sales tax include those services related to the university's core educational mission, such as agreements pertaining to teaching services, internships, research or related consulting agreements. In addition, live performances such as concerts, opera and dance are not subject to sales tax. The examples just provided are based on DC rules, where most of GW's activities take place. Any question as to whether a specific activity is subject to sales tax should be directed to the tax department.

II. Departmental Responsibilities

Any GW department engaged in the sale or rental of taxable goods and services is responsible for:

- Collecting sales tax on all taxable sales and rentals at the time of sale
- Depositing collected taxes in the Sales Tax Liability account, 21281
- Completing the Monthly Sales Tax Remittance Form, reporting total taxable sales revenue and sales tax collected, and sending it to University Accounting Services in the Comptroller's Office by the 10th of each month for the taxable sales of the preceding month even when no taxes are due
- Maintaining complete records for sales of taxable goods and services for a period of 5 years

All sales tax remittances to the tax authorities will be coordinated through University Accounting Services in the Comptroller's Office. Sales tax returns *cannot* be mailed directly to a government taxing authority by a department. All sales tax returns are submitted to the tax authorities on behalf of departments by University Accounting Services in the Comptroller's Office.

Please note, even if no tax is due, the department is still required to complete the Monthly Sales Tax Remittance Form for the period.

It is important to note that activities in jurisdictions other than D.C. may be subject to sales taxes in those jurisdictions. Any questions about whether the sale of a particular good or service is subject to sales tax in D.C. or another jurisdiction should be directed to the tax department for resolution before the sale takes place.

Contacts

| Contact | Telephone | Email |
|----------------------|----------------|--|
| Comptroller's Office | (571) 553-4079 | |
| Tax Department | (571) 553-8309 | tax@gwu.edu |

Document History

- **Last Reviewed Date:** March 20, 2017
- **Last Revised Date:** September 25, 2013
- **Policy Origination Date:** March 22, 2002

Who Approved This Policy

Louis H. Katz, Executive Vice President and Treasurer

This policy, as well as all [university policies](#), are located on the [Office of Compliance and Privacy's](#) home page.