

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



**Utility Exemption Application and Certificate**

- A. This form (OTR-308) serves both as the application for and the certificate of exemption from sales tax on utility use. The purchaser should complete form OTR-308 and transmit it to the appropriate utility provider. The purchaser must retain a copy of form OTR-308. A separate form is required for each utility and each meter location.
- B. The exemption is not transferable when there is a change in the ownership of the entity, utility provider or meter. A new application must be completed to accommodate any of the above-mentioned changes.
- C. The utility provider shall verify the information on form OTR-308, maintain the original and reflect the exemption on the purchaser's account for bills rendered after the date of receipt of application. The Office of Tax and Revenue (OTR) will periodically obtain a list of the entities receiving the exemption from the utility provider.
- D. A utility provider must be registered with OTR.
- E. If the exemption is later revoked, then the taxpayer is liable for the taxes.

**Purchaser:**

Purchaser and Trade Name \_\_\_\_\_  
D.C. Sales Tax Registration Number \_\_\_\_\_  
Federal Employer Identification Number \_\_\_\_\_  
Street Address \_\_\_\_\_  
City, State & ZIP \_\_\_\_\_  
Phone Number \_\_\_\_\_ Email Address \_\_\_\_\_  
Description of Operation \_\_\_\_\_

**Type of Utility (check one):**  Gas  Oil  Electricity  Solid Fuel  Steam

Meter / Sub-Meter Number \_\_\_\_\_ Account Number \_\_\_\_\_

**Utility Provider Verification (to be completed by the utility provider):**

|  |  |                               |
|--|--|-------------------------------|
| _____<br><i>Name of Utility Provider</i> | _____<br><i>Telephone Number</i>       |                               |
| _____<br><i>Authorized Signature</i>     | _____<br><i>Print Name &amp; Title</i> | _____<br><i>Email Address</i> |
| _____<br><i>Date</i>                     |  |                               |

The utility is used for the following purpose:

- Consumed in a restaurant or catering facility. *Complete PART I.*
- Consumed for industrial use. *Check all that apply. Then complete PART II.*
  - Manufacturing of tangible personal property for sale or resale
  - Assembling of tangible personal property for sale or resale
  - Processing of tangible personal property for sale or resale
  - Refining of tangible personal property for sale or resale

### **PART I – Restaurant Use**

A 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.

“Restaurant” is a retail establishment that is licensed by the District of Columbia and in the principal business of preparing and serving food to the public. For example, if an establishment prepares and sells food to the public and is also a bakery, it will qualify as a restaurant. The term “restaurant” includes a pizzeria, delicatessen, ice cream parlor, cafeteria, take-out counter and caterer, and banquet and food-processing areas in hotels. “Restaurant” does not include beverage counters, such as coffee shops or juice bars.

*See D.C. CODE § 47-2005(11A).*

I HEREBY CERTIFY under the penalties of perjury that the utility for this account will be directly consumed by a restaurant that is separately metered or sub-metered.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Print Name & Title*

\_\_\_\_\_  
*Telephone Number*

\_\_\_\_\_  
*Email Address*

\_\_\_\_\_  
*Date*

### **PART II – Industrial Use**

Sales of gas, oil, electricity, solid fuel or steam directly consumed in the manufacturing, assembling, processing or refining of tangible personal property for sale or resale (e.g., operating machinery, lighting and heating a factory or shop) are exempt from District of Columbia sales tax. The following are definitions and examples of manufacturing, assembling, processing and refining:

- “Manufacturing” is generally a process by which a product is created that is substantially different in form, character, composition and usefulness from its components (e.g., construction of furniture from unfinished wood).
- “Assembling” is the attaching or fitting together of parts to form a complete product (e.g., assembling television sets).
- “Processing” generally results in a change in the nature, shape or form of materials (e.g., production of small decorative landscape stones from larger rock pieces).
- “Refining” is the removing or separating raw or contaminated materials from a desired product by physical, mechanical or chemical processes (e.g., production of gasoline or fuel oils).

All utilities consumed in the administrative or commercial phases of business activities, such as general offices, plant cafeterias, sales and display rooms, retail outlets, garages where trucks for off-premises sales of products are stored and serviced and similar uses, are taxable.

Predominant Use:

If a utility is furnished through one meter for both taxable and tax-exempt purposes, the predominant portion (over 50%) of its use based on annual consumption will determine the taxable status. If the predominant use is for an exempt purpose, the entire utility service will be exempt.

**\*Percentage of utility used for tax-exempt purposes:** \_\_\_\_\_

\*Attach an energy worksheet illustrating how the purchaser qualifies for the utility exemption. The worksheet should list all taxable and tax-exempt equipment on each meter. For each piece of equipment, please list the watt rating, the number of hours of use per day (on average), the load factor, the number of days it is used per year and the annual energy consumption in kilowatt-hours (kWh). The assistance of an engineer or electrician may be required to complete the worksheet.

See D.C. CODE § 47-2005(11); 9 DCMR §444.4-444.6, 444.9.

I HEREBY CERTIFY under the penalties of perjury that the utility for this account will be directly consumed and predominantly used for an industrial use.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Print Name & Title*

\_\_\_\_\_  
*Telephone Number*

\_\_\_\_\_  
*Email Address*

\_\_\_\_\_  
*Date*