



**OTR Notice 2014-06**  
**University Prepaid Debit Cards**  
**Are Not Sales Tax Exemption Cards**

June 8th, 2014

A number of educational institutions in the District of Columbia and elsewhere offer their students, faculty and/or staff prepaid debit cards to assist in making dining and retail purchases both on campus and at selected businesses in the District. Examples include the Georgetown GOCard, the George Washington GWorld Card and the Howard Bison One Card.

These prepaid debit cards do not represent sales to their university issuers and thus do not entitle the bearers to exemption from the DC sales tax. The sales tax is to be collected on purchases made with these prepaid debit cards to the same extent that the tax would be collected on the same purchases made with cash, credit cards or commercial debit cards.

The tax does not apply to purchases made with university prepaid debit cards which are generally exempt, such as sales of food and drink under a university dining plan at a university cafeteria. The DC sales tax does apply to sales of food and drink made by franchisees operating on campus.

Questions should be directed to the Customer Service Administration at (202) 727-4829.