

13-838

The Secretary of State presents his compliments to Their Excellencies and Messieurs and Mesdames the Chiefs of Mission and has the honor to inform all missions of the revised policies and procedures concerning the Department's authorization of utility tax exemption for eligible foreign missions and their members in the United States. This note replaces the Department's Notes No. 05-57, dated March, 27, 2005, and 05-164, dated July 18, 2005.

The Department's Office of Foreign Missions (OFM) broadly defines utility services to include electricity, heating fuel, water/sewer, telephone, cellular phone, cable/satellite television, internet, and security.

In accordance with Articles 23, 34, and 37 of the Vienna Convention on Diplomatic Relations (VCDR), Articles 32, 49, and 71 of the Vienna Convention on Consular Relations (VCCR), and other international agreements, and subject to reciprocity, foreign missions and their members and dependents may be eligible for exemption from federal, state, and local taxes imposed on utility services.

OFM wishes to remind foreign missions and their personnel that diplomatic tax exemption cards may not be used to obtain relief from taxes imposed on utility

services and that requests for tax exemption on utility services may not be submitted directly to utility vendors.

Rather, eligible missions and their members should submit an application for utility tax exemption on the Department's E-Government (E-Gov) system for each account held at each utility company. Missions and their members located in New York must also upload via E-Gov Form DTF-950, *Certificate of Sales Tax Exemption for Diplomatic Missions & Personnel*. Form DTF-950 can be found at http://www.tax.ny.gov/pdf/current_forms/st/df950.pdf.

If a utility company does not appear in E-Gov, the applicant should e-mail the following information about the company to OFMTaxCustoms@state.gov: utility type, name, address, phone number, fax number, email address, and a point of contact. OFM will then add the requested company to E-Gov.

Utility tax exemption applications may be submitted as official or personal requests, as appropriate. Official requests must include a point of contact (who may be an employee not otherwise entitled to privileges, such as a U.S. citizen, lawful permanent resident, or someone "permanently resident in" the United States for purposes of the VCDR or VCCR). If the address for which the mission is requesting utility tax exemption does not match the primary mission address on file, the mission should add a remark to explain. Personal requests must include the correct name and personal identification number for the requestor. The

requestor should add a remark if his or her address has changed since previously contacting OFM.

The requestor must be the same as the name on the utility bill. Therefore, if a utility bill for an official residence is in the name of the occupant, the application for tax exemption must be submitted as a personal request under the same name. If a utility bill for an official residence is in the name of the mission, the application for tax exemption must be submitted as an official request.

Please note that it may take up to three billing cycles for a tax exemption to be reflected on the utility bill. If an OFM-authorized tax exemption does not appear on a bill after this three-billing-cycle period, please contact OFM.

In addition to taxes, governing authorities and utility providers may also impose fees and surcharges associated with the provision of services. Some surcharges may appear on monthly billing statements as taxes, such as “Gross Receipts Tax” or “Delivery Tax”; however, these in fact are surcharges levied by the District of Columbia, Maryland, New York, and several other states on all utility accounts. A common example of a fee that is associated with utility services is the “911 Emergency Response Fee.” This fee is imposed by most local taxing authorities throughout the United States as compensation for providing emergency response services to the public. This charge and other surcharges described above

represent fees for services for which an exemption is not provided to foreign missions and their members under the VCDR and VCCR.

Questions or concerns with respect to the policy and procedures addressed in this note may be directed to OFM's Office of Diplomatic Property, Taxes, Services and Benefits at (202) 895-3500, ext. 2 or OFMTaxCustoms@state.gov, or the nearest OFM Regional Office. Information concerning OFM's regional offices, which are located in Chicago, Houston, Los Angeles, Miami, New York, and San Francisco, is available at www.state.gov/ofm/ro/.

Department of State,

Washington, September 5, 2013.

A handwritten signature or set of initials, possibly 'JH', in dark ink.