

Tax Knowledge Checklist

- Currently, the following 11 states exempt federal government travelers from lodging tax with their individually billed travel cards: Alaska, Florida, Delaware, Kansas, Massachusetts, Missouri, New York, Oregon, Pennsylvania, Texas and Wisconsin.
- The following 5 states require the traveler to fill out a form to receive tax exemption: Florida, New York, Pennsylvania, Texas and Wisconsin.
- The GSA SmartPay Purchase Card, GSA SmartPay Fleet Card, GSA SmartPay Integrated Card and Centrally Billed GSA SmartPay Travel Card are exempt from taxes in all 50 states & U.S. territories since they are centrally billed accounts, where the government is directly responsible for payment, and consequently may not be taxed without violating the Supremacy Clause of the Constitution and several court cases which have set precedent that states may not levy taxes directly on the Federal Government.
- When a state exempts federal government travelers from taxes with the individually billed travel card, the exemption applies to just the occupancy or lodging tax, and not to the city tax, county tax, or other hotel fees added to the bill, which will still have to be paid.
- Federal government employees should bring their GSA SmartPay Travel Card, their Government ID, and Necessary Tax Forms with them on official government travel.
- It is illegal for a merchant to photocopy your government ID, according to US Code Title 18, Part 1, Chapter 33, 701. The merchant is also not permitted to photocopy your GSA SmartPay card.
- When traveling to a tax-exempt state, contact the hotel – before you travel – to verify that taxes will not be charged to your GSA SmartPay Travel Card.
- Write down your card program manager's contact information, in the event there are any issues at the hotel check-in desk.
- Federal government employees are not required to pay the Bag Tax in Montgomery County, MD, or in Washington, DC, with the centrally billed purchase card, since the states may not levy taxes directly on the federal government.
- The states determine the exemption status for Individually Billed Accounts.
- If you are incorrectly assessed taxes in a state, you should contact your A/OPC as soon as possible so he/she can begin the reclamation process.
- If you have any questions about tax exemption information, please contact us at gsa_smartpay@gsa.gov or 703-605-2808.