



U.S. Department of Justice

Justice Management Division

Washington, D.C. 20530

MEMORANDUM FOR BUREAU PROCUREMENT CHIEFS

FROM: William N. Taylor II
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SUBJECT: Class Deviation from the Federal Acquisition Regulation (FAR) Part 29 in support of Executive Order 14275 on Restoring Common Sense to Federal Procurement

1. **PURPOSE**

This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) Part 29 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR Part 29 available at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-29>.

2. **BACKGROUND**

Executive Order (E.O.) 14275, Restoring Common Sense to Federal Procurement, signed April 15, 2025, mandates a comprehensive review and simplification of the FAR. The FAR is being updated to:

- Eliminate non-statutory language
- Remove redundant or obsolete language
- Enhance clarity through plain language
- Align with the new FAR framework
- Preserve essential governmentwide acquisition standards

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative. This initiative will make the FAR more concise, understandable, and focused on core procurement requirements.

3. **SUMMARY OF CHANGES**

FAR Part 29 Taxes, has been updated to be more direct, active, and accessible. The main objective was to rewrite the complex tax requirements in plain language, leading to an approximate 20% reduction in word count. A high-level summary of the content updates, additions, and removals is as follows:

The following items are updated or retained:

- Statutory requirements retained in the RFO FAR Part 29 model deviation include, but are not limited to, the following:
 - 26 U.S.C. § 4041, Imposition of tax
 - 26 U.S.C. § 4053, Exemptions
 - 26 U.S.C. § 4064, Gas guzzler tax
 - 26 U.S.C. § 4221, Certain tax-free sales
 - 26 U.S.C. § 4293 and § 4483, Tax exemptions
 - 26 U.S.C. § 5000C, Imposition of tax on certain foreign procurement
 - 10 U.S.C. § 402, Transportation of humanitarian relief supplies to foreign countries
 - 10 U.S.C. § 404, Foreign disaster assistance
 - 10 U.S.C. § 2557, Domestic emergency assistance
 - 10 U.S.C. § 2561, Humanitarian assistance
- Minor plain language adjustments made to ‘29.000 Scope of Part,’ the substantive scope of the part remains.
- Subpart 29.1 Guidance for resolving tax problems is retained at 29.101, however Contracting Officers are now required to request assistance from assigned legal counsel when tax issues arise. This action was previously encouraged, it is now mandatory.
- Subpart 29.2 Federal Excise Taxes is retained; however Contracting Officers are now required to request offers on a tax-exclusive basis when the law exempts the Government from federal excise tax, unless inappropriate for the circumstances. This action was previously encouraged, it is now mandatory.
- Subpart 29.3 State and Local Taxes are retained, however logically reorganized and renumbered.
 - This restructuring improves the flow of information, making the subpart more intuitive for users. For instance, the specific rules for the North Carolina Sales and Use Tax Act, previously located in a sub-paragraph, have been elevated to a standalone section, increasing their visibility and usability.
- Subpart 29.4 solicitation provisions, contract clauses and prescriptions are retained, with plain language edits applied where appropriate, as they are governed by specific tax law:
 - 52.229-1, State and Local Taxes
 - 52.229-2, North Carolina State and Local Sales and Use Tax
 - 52.229-3, Federal, State, and Local Taxes
 - 52.229-4, Federal, State, and Local Taxes (State and Local Adjustments)
 - 52.229-5, Remains “Reserved”
 - 52.229-6, Taxes-Foreign Fixed-Price Contracts
 - 52.229-7, Taxes-Fixed-Price Contracts with Foreign Governments

- 52.229-8, Taxes-Foreign Cost-Reimbursement Contracts.
- 52.229-9, Taxes-Cost-Reimbursement Contracts with Foreign Governments
- 52.229-10, State of New Mexico Gross receipts and Compensating Tax
- 52.229-11, Tax on Certain Foreign Procurements—Notice and Representation
- 52.229-12, Tax on Certain Foreign Procurements

The following items have been removed:

- Definitions of the North Atlantic Treaty Organization (NATO) Forces, and U.S. Forces in Afghanistan.
- Information in Section 29.304, matters requiring special consideration have been removed or relocated, as appropriate.
- Subsection 29.402-4, prescribing tax requirements for foreign contracts in Afghanistan has been removed in its entirety, along with the following clauses:
 - 52.229-13, Taxes- Foreign Contracts in Afghanistan
 - 52.229-14, Taxes- Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement)

4. AUTHORITY

This class deviation is issued under the authority of [E.O. 14275](#), [OMB M-25-26](#), and RFO FAR 1.304.

5. DEVIATION

The DOJ acquisition workforce must follow the RFO Part 29 model deviation text instead of FAR Part 29 as codified at 48 CFR Chapter 1. The Council's RFO Part 29 model deviation text is available at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-29>.

Do not include FAR 52.229-13 and 52.229-14 future solicitations and contracts. For open solicitations or awarded contracts, the Contracting Officer has discretion regarding the need to enforce or amend the clauses.

6. EFFECTIVE DATE AND EXPIRATION

This class deviation is effective immediately and remains in effect until rescinded or incorporated into the FAR.

7. SCOPE AND APPLICABILITY

This class deviation applies to all DOJ procurements.

8. ADDITIONAL INFORMATION

If you have questions, please contact DOJAcquisitionPolicy@usdoj.gov.

9. ATTACHMENTS

Attachment 1 – Deviation to FAR Text – FAR Part 29 (Line-In/Line-Out)