



Global Acquisition

U.S. DEPARTMENT *of* STATE

Acquisition Alert 25-27

TO: All Contracting Activities

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SUBJECT: Federal Acquisition Regulation (FAR) Class Deviation for FAR Part 29 in Support of Executive Order on Restoring Common Sense to Federal Procurement

- 1. Introduction:** The purpose of this Acquisition Alert is to issue a FAR class deviation to part 29 for purposes of implementing the Federal Acquisition Regulatory Council's model deviation text to that part.
- 2. Background:** On April 15, 2025, Executive Order (E.O.) 14275 on Restoring Common Sense to Federal Procurement was signed. Section 2 of the E.O. establishes the policy that the FAR "should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed."

The FAR is being updated to:

- Remove language that is not required by statute;
- Remove duplicative or outdated language;
- Clarify or provide plain language;
- Revise language for the new FAR framework; and
- Retain language necessary for governmentwide acquisition standards.

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative. This class deviation is issued under the authority of E.O. 14275, OMB M-25-25, and 48 CFR 1.4.

Deviation Summary

FAR Part 29, Taxes has been revised to rewrite the complex tax requirements in plain language, reorganize subparts in a logical manner, and reduce word count overall. The revised text reorganizes and renumbers FAR 29.3, State and Local Taxes. Subpart 29.1, which provides guidance for resolving tax problems, now **requires** COs to get assistance from assigned legal counsel when tax issues arise. FAR 29.201(b) has been updated to require COs to request offers on a tax-exclusive basis unless inappropriate, which is a stronger requirement than the previous “should” language.

FAR part 29 is primarily based in statute. Due to this, the majority of this part is unchanged. 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

Non-statutory requirements removed from FAR part 29 include, but are not limited to, the following:

- **Tax Requirements for Contracts in Afghanistan** - FAR 29.402-4 and related clauses (52.229-13 and 52.229-14).
- **Definitions** of North Atlantic Treaty Organization (NATO) Forces and U.S. Forces in Afghanistan.
- **Section 29.304, Matters Requiring Special Consideration** – Some portions of this section have been removed while retained sections have been shifted to other parts.

Corresponding DOSAR Deviation Summary

Based on the Council's model deviated language, a class deviation is hereby issued to the Department of State Acquisition Regulation (DOSAR) to make the following corresponding changes:

- Renumbering sections in DOSAR Part 629 to mirror FAR part 29 numbering changes;
- Updating FAR part 29 citations throughout the DOSAR to reflect the updated section numbers;
- Adjusting section titles to match the FAR deviated language; and
- Other administrative updates.

3. Acquisition Impact: The changes resulting from this class deviation affect all DoS procurements and contracting activities issued on or after the effective date of the AA.

4. Action Required: The 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 model deviation text is available at [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul), and is incorporated into this class deviation.

5. Effective Date: While this Acquisition Alert is effective upon issuance, the model deviated language was released on July 17, 2025.

6. Expiration Date: This Acquisition Alert expires upon incorporation into the FAR, DOSAR, and/or DOSAM.

7. Additional Information: Questions regarding this Acquisition Alert may be directed to AcquisitionPolicy@state.gov.

8. Attachments:

[DOSAR Part 629 Deviation Line In/Line Out Document](#)

9. Referenced Documents, Checklists, Guides and Templates:

[FAR Part 29 Deviation Line Out Document](#)