



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF FINANCE AND OPERATIONS

August 5, 2025

ACQUISITION ALERT 2025-15

TO: Heads of Contracting Activities

FROM: Calvin J. Mitchell Jr. **CALVIN MITCHELL** Digitally signed by CALVIN MITCHELL
Deputy Assistant Secretary for the Office of Acquisition Management
Senior Procurement Executive
Date: 2025.08.05 17:20:38 -04'00'

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

- 1. Purpose.** This Acquisition Alert (AA) adopts 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.
- 2. Background.** On April 15, 2025, the 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." On May 31, 2025, the enclosed class deviation was issued for the use of all Revolutionary FAR Overhaul (RFO) model deviation texts and corresponding EDAR deviations.
- 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.

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

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- 10 U.S.C. § 2557, Domestic emergency assistance
- 10 U.S.C. § 2561, Humanitarian assistance

Change	Description
Retained	<ul style="list-style-type: none"> ● Revisions made to the “Scope of Part” at 29.000 are minor plain language adjustments. 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. It was previously encouraged, but not required, to do so. ● 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 taxes, unless inappropriate for the circumstances. It was previously encouraged, but not required, to do so. ● Subpart 29.3 - The language governing application of State and Local Taxes has been 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 - Most of the solicitation provisions, contract clauses, and prescriptions are retained, with plain language edits where appropriate, because they are tied to specific tax law. ● Clauses and provisions retained with plain language adjustments include: <ul style="list-style-type: none"> ○ 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

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	<ul style="list-style-type: none"> ○ 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
Removed	<ul style="list-style-type: none"> ● Definitions of North Atlantic Treaty Organization (NATO) Forces, and U.S. Forces in Afghanistan have been removed. ● Information in Section 29.304, Matters requiring special consideration has 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 prescribed in that section: <ul style="list-style-type: none"> ○ 52.229-13, Taxes—Foreign Contracts in Afghanistan ○ 52.229-14, Taxes—Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement)

This table is not an exhaustive list.

4. Instructions.

- The Department of Education’s acquisition workforce shall follow the RFO Part 29 and corresponding 52 model deviation text instead of FAR Part 29 and 52 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> and is incorporated into this class deviation. There is no EDAR Part 3429 and therefore no corresponding changes to EDAR are necessary.
- When using any provisions or clauses that have been revised, utilize the RFO model deviation language at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-52>.
- Do not include any of the removed provisions or clauses in future solicitations and contracts.
- For open solicitations or awarded contracts, the contracting officer has discretion regarding the need to enforce or amend the provisions or clauses. Note that without some of the removed provisions or clauses, the contracting officer may be required to separately address certain aspects in the contract.
- Review templates and related standard operating procedures to align with this deviation and remove unnecessary processes and steps.

5. **Training.** Acquisition Professionals are highly encouraged to complete “Practitioner Album: FAR Part 29 – Taxes” at https://www.acquisition.gov/sites/default/files/practitioner_albums/far-part-29-taxes/content/index.html#/ within 30 days. Please complete the Practitioner Album and mark “yes” under the completion attestation within FAI CSOD.

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6. **Effective Date.** This class deviation to FAR Part 29 is effective immediately and remains in effect until rescinded or incorporated into the FAR.
7. **Points of Contact.** Direct questions regarding this class deviation to your respective policy points of contact.
8. **Enclosure.** Determination and Findings - Class Deviation for the Revolutionary FAR Overhaul

DETERMINATION AND FINDINGS
Department of Education, All Contracting Activities
Class Deviation for the Revolutionary FAR Overhaul

This approves a class deviation to all Federal Acquisition Regulation (FAR) and Department of Education Acquisition Regulation (EDAR) parts for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text.

Findings

On April 15, 2025, the 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 more plain language
- Revise language for the new FAR framework
- Retain language necessary for governmentwide acquisition standards

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

In explaining the Federal Acquisition System, the RFO FAR Part deviation text establishes bedrock principles. Most centrally, it sets a "mission first" message at the top of the guiding principles. The RFO model deviation also increases the emphasis on the best use of taxpayer dollars and calls out the value of time as another guiding principle. Additionally, it retains a focus on satisfying the customer, maximizing use of commercial products and services, promoting competition, and encouraging innovation.

The FAR Council Deviation guidance allows for agencies to deviate agency acquisition regulation supplements as it relates to the RFO.

Determination

In accordance with FAR 1.404 and EDAR 3401.404, I hereby issue a class deviation for the use of all RFO model deviation texts and corresponding EDAR deviations. The adoption date for each RFO part model deviation text will be the date of the corresponding Acquisition Alert. EDAR deviation texts may be issued in a separate Acquisition Alert. All Department of Education contracting activities must follow the RFO model deviation texts instead of the FAR Parts codified at 48 CFR. Should the language of the RFO FAR contradict any statutorily granted procurement authorities to the Department of Education including the Office of Federal Student Aid, the statutorily granted authorities prevail.

In the unlikely event that the Department wishes to vary from a RFO model deviation text, a separate deviation will be issued. This class deviation will remain in effect until incorporated into the FAR, EDAR or rescinded.

RICHARD LUCAS Digitally signed by RICHARD LUCAS
Date: 2025.05.31 08:30:12 -04'00'

Richard Lucas

Acting Chief Acquisition Officer (CAO)

Date