



National Aeronautics and
Space Administration
Washington, DC 20546

Procurement Class Deviation

PCD 25-11

August 16, 2025

CLASS DEVIATION FROM FEDERAL ACQUISITION REGULATION (FAR) PART 29 AND NASA FAR SUPPLEMENT (NFS) PARTS 1829 TO IMPLEMENT THE REVOLUTIONARY FAR OVERHAUL (NASA Case 2025-N0013)

PURPOSE: To provide a Class Deviation from the FAR to implement the FAR Council's model deviation text to FAR Part 29 – Taxes, and deviation to NFS 1829.

BACKGROUND: On April 15, 2025, the Executive Order (E.O.) 14275, [“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.” To implement E.O. 14275, the Office of Federal Procurement Policy (OFPP) is leading the **Revolutionary FAR Overhaul (RFO)** initiative. This effort is supported by the Federal Acquisition Regulatory Council (the Council) member agencies (General Services Administration, Department of Defense, NASA), along with other agencies. In line with the E.O., the initiative aims to eliminate unnecessary regulations and policies across all levels of the federal government.

The Office of Management and Budget (OMB) memorandum, M-25-26 issued on May 2, 2025, titled, Overhauling the Federal Acquisition Regulation, provided additional guidance to federal agencies regarding the FAR overhaul.

FAR Streamlining. As part of the RFO, the FAR will be streamlined to include only statutory requirements, while non-statutory content will move to new buying guides, collectively forming the Strategic Acquisition Guidance (SAG). The Council will first issue model deviation guidance by FAR part, followed by formal rulemaking through the notice-and-comment process. Agencies will have 30 days to issue class deviations based on the model text once it is released.

Streamlining Agency Acquisition Supplements. Agencies must streamline their FAR supplements by removing regulations not based on statute or executive orders and aligning with the FAR Council's deviation guidance. Supporting policies must also be updated to reflect these changes. This approach ensures the NASA FAR Supplement (NFS) remains consistent with the streamlined FAR.

FAR Buying Guides and NFS Companion Guide (CG) (coming soon). As the FAR and the NFS are streamlined, helpful non-regulatory content will be moved to new FAR Buying Guides and NFS CG. These guides are intended to offer practical instructions and best practices for implementing effective contracting methods.

RFO Part 29 – Taxes establishes policies and procedures for using tax clauses in contracts, asserting immunity or exemption from taxes, and obtaining tax refunds. Burdensome, duplicative, or outdated language and language not required by statute have been removed from FAR Part 29. This plain language version of FAR Part 29 shall be adhered to.

To align with the RFO FAR Part 29, the NFS 1829 Taxes, is revised to remove non-statutory and outdated language. This deviation implements the revised RFO Part 29 and NFS Part 1829. NFS Part 1829 has no regulatory content and is marked “Reserved”.

GUIDANCE:

(1) Contracting officers shall follow the RFO Part 29 deviated text instead of FAR Part 29 as codified at 48 CFR Chapter 29. The FAR Council’s RFO text is available at <https://www.acquisition.gov/far-overhaul>

(2) COs shall also follow the NFS Part 1829 deviated text enclosed within this deviation.

ACTION REQUIRED BY CONTRACTING OFFICERS: Effectively immediately, ensure that new contract actions issued on or after the effective date complies with the policy in the PCD.

EFFECTIVE DATE: This PCD is effective as dated and shall remain in effect until implemented in the FAR and NFS or otherwise rescinded.

ROVISION AND CLAUSE CHANGES: None applicable

HEADQUARTERS CONTACT: Debbie Stone, Procurement Analyst, Procurement Grants and Policy Division, Email: deborah.h.stone@nasa.gov.

Marvin L. Horne

Acting Assistant Administrator for Procurement

Enclosure

Changes in the NFS Deviation text below are identified as follows:
Deletions shown as ~~strike throughs~~; and additions shown as **[bold in brackets]**.

PART 1829

TAXES

TABLE OF CONTENTS

[RESERVED]

SUBPART	<u>1829.1</u>	GENERAL
1829.101		Resolving tax problems.

PART 1829

TAXES

(November 30, 2017)

Subpart 1829.1--General

~~1829.101 Resolving tax problems.~~

~~(a)(i) The Headquarters Office of the General Counsel is the designated legal counsel for all external contacts on FAR Part 29 tax problems, including communications with the Department of Justice, other Federal agencies, and any taxing authority.~~

~~(i) Contracting Officers shall forward tax problems that cannot be solved readily by reference to FAR Part 29 to the Headquarters Office of the General Counsel through the installation's Office of Chief Counsel. The Contracting Officer shall provide to the installation's Chief Counsel the following material, as applicable, which the Chief Counsel will be forwarded to the Headquarters Office of the General Counsel with a copy to the Headquarters Office of Procurement, Procurement Strategic Operations Division:~~

- ~~(D) A comprehensive statement of pertinent facts, including documents and correspondence.~~
- ~~(D) A copy of the contract.~~
- ~~(D) A thorough review of the legal issues involved and recommended action.~~
- ~~(D) If appropriate, a statement of the problem's effects on procurement policies and procedures, with recommendations.~~

CLEAN REGULATORY VERSION WITH CHANGES INCORPORATED:

PART 1829

TAXES

TABLE OF CONTENTS

[RESERVED]

PART 1829

TAXES

RESERVED