



NATIONAL SCIENCE FOUNDATION  
2415 Eisenhower Avenue ▪ Alexandria, VA 22314

July 25, 2025

MEMORANDUM

TO: National Science Foundation, Division of Acquisition and Cooperative Support  
National Science Foundation Acquisition Workforce

FROM: Patrick K. Breen  
Senior Procurement Executive

SUBJECT: FAR Class Deviation for FAR Part 29 in Support of Executive Order 14275 on Restoring Common Sense to Federal Procurement

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.

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."

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- Remove duplicative or outdated language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
- 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 focus on core procurement requirements.

1. 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
- 10 U.S.C. § 2557, Domestic emergency assistance
- 10 U.S.C. § 2561, Humanitarian assistance

Change	Description
Retained	<ul style="list-style-type: none"><li>• Revisions made to the “Scope of Part” at 29.000 are minor plain language adjustments. The substantive scope of the part remains.</li><li>• 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.</li><li>• 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.</li><li>• Subpart 29.3 – This 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</li></ul>

	<p>section, increasing their visibility and usability.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Clauses and provisions retained with plain language adjustments include: <ul style="list-style-type: none"> <li>○ 52.229-1, State and Local Taxes.</li> <li>○ 52.229-2, North Carolina State and Local Sales and Use Tax.</li> <li>○ 52.229-3, Federal, State, and Local Taxes.</li> <li>○ 52.229-4, Federal, State, and Local Taxes (State and Local Adjustments).</li> <li>○ 52.229-5, Remains “Reserved”.</li> <li>○ 52.229-6, Taxes-Foreign Fixed-Price Contracts.</li> <li>○ 52.229-7, Taxes-Fixed-Price Contracts with Foreign Governments.</li> <li>○ 52.229-8, Taxes-Foreign Cost-Reimbursement Contracts.</li> <li>○ 52.229-9, Taxes-Cost-Reimbursement Contracts with Foreign Governments.</li> <li>○ 52.229-10, State of New Mexico Gross Receipts and Compensating Tax.</li> <li>○ 52.229-11, Tax on Certain Foreign Procurements—Notice and Representation.</li> <li>○ 52.229-12, Tax on Certain Foreign Procurements.</li> </ul> </li> </ul>
<b>Removed</b>	<ul style="list-style-type: none"> <li>• Definitions of North Atlantic Treaty Organization (NATO) Forces, and U.S. Forces in Afghanistan have been removed.</li> <li>• Information in Section 29.304, Matters requiring special consideration has been removed or relocated, as appropriate.</li> <li>• 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"> <li>○ 52.229-13, Taxes—Foreign Contracts in Afghanistan</li> <li>○ 52.229-14, Taxes—Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement)</li> </ul> </li> </ul>

This table is not an exhaustive list.

**INSTRUCTIONS:** The NSF 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 [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul), and is incorporated into this class deviation. Review templates and related standard operating procedures to remove unnecessary process steps.

**APPLICABILITY:** This class deviation applies to all NSF procurement actions.

**REQUIRED ACTIONS:** The NSF acquisition workforce shall 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 [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul) and is incorporated into this class deviation.

This class deviation is issued under the authority of EO 14275, [OMB Memo M-25-26](#), 48 CFR 1.4, and RFO FAR 1.304.

**EFFECTIVE DATE:** This deviation is effective as dated and shall remain in effect until it is incorporated into the FAR, or until this class deviation is rescinded, extended, or amended.

**POINT OF CONTACT:** Contact Raymond McCollum at 703-292-4225 or [rmccollu@nsf.gov](mailto:rmccollu@nsf.gov).