



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
WASHINGTON, D.C. 20555-0001

August 5, 2025

Class Deviation RFO-2025-29

MEMORANDUM TO: Acquisition Management Division and Buyers in the Regions

FROM: Nicole Stevenson, Acting Director  
Acquisition Management Division  
Office of Administration

A handwritten signature in blue ink, appearing to read "Nicole Stevenson", is placed over the signature line.

Signed by Stevenson, Nicole  
on 08/05/25

SUBJECT: FAR Class Deviation for 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 - "Taxes" for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR Part 29 to prioritize plain language, resulting in more direct, active, and accessible text. Notable changes emphasize the importance of proactive cost savings for the Government relating to taxes by structuring solicitations to account for exemptions. Outdated content was removed consistent with the expiration of the Status of Forces Agreement for Afghanistan (SOFA). The most substantive revisions add two new requirements for COs to obtain assistance from legal counsel when tax issues arise (revised FAR 29.101) and to request offers on a tax-exclusive basis when the law exempts the Government from federal excise taxes, unless inappropriate for the circumstances (revised FAR 29.201(b)). Previously, both requirements were encouraged but not mandatory. The overhauled version removes FAR 29.304, FAR 29.402-4, and the definitions of North Atlantic Treaty Organization Forces and U.S. Forces in Afghanistan (because of the expiration of the Afghanistan SOFA).
2. **BACKGROUND:** [Executive Order \(E.O.\) 14275 on Restoring Common Sense to Federal Procurement](#) signed April 15, 2025, mandates a comprehensive review and simplification of the Federal Acquisition Regulation (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.

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 “<b>Scope of Part</b>” at 29.000 are minor plain language adjustments. The substantive scope of the part remains.</li><li>• Subpart 29.1 - Guidance for <b>resolving tax problems</b> is retained at 29.101; However, contracting officers are <b>now required to request assistance from assigned legal counsel when tax issues arise</b>. It was previously encouraged, but not required, to do so.</li><li>• Subpart 29.2 - <b>Federal Excise Taxes</b> is retained; however, contracting officers <b>are now required to request offers on a tax-exclusive basis when the law exempts the Government from federal excise taxes</b>, unless inappropriate for the circumstances. It was previously encouraged, but not required, to do so.</li><li>• Subpart 29.3 - The language governing application of <b>State and Local Taxes</b> 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.</li><li>• Subpart 29.4 - Most of the solicitation provisions, contract clauses, and prescriptions are retained, <b>with plain language edits where appropriate</b>, because they are <b>tied to specific tax law</b>.</li><li>• <b>Clauses and provisions retained with plain language adjustments include:</b><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></ul></li></ul>

	<ul style="list-style-type: none"><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>
<b>Removed</b>	<ul style="list-style-type: none"><li>● <b>Definitions</b> 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 <b>special consideration</b> has been removed or relocated, as appropriate.</li><li>● Subsection 29.402-4, prescribing tax requirements for foreign contracts in <b>Afghanistan</b> 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.

#### 4. INSTRUCTIONS:

- The NRC acquisition workforce shall follow the RFO Part 29 model deviation text and corresponding Part 52 model deviation text instead of FAR Part 29 and Part 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.
- When using any provisions or clauses that have been revised, utilize the RFO model deviation language at [RFO FAR 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. APPLICABILITY:** This class deviation applies to all NRC solicitations and new contracts as of July 17, 2025. This deviation does not apply to contracts signed and executed on or before July 17, 2025.

**6. AUTHORITY:** This class deviation is issued under the authority of E.O. 14275, [OMB M- 25-26](#), and 48 CFR 1.4 and RFO FAR 1.304.

**7. EFFECTIVE DATE:** This class deviation is effective immediately and remains in effect until rescinded or incorporated into the FAR.

FAR Class Deviation for FAR Part 29 in Support of Executive Order 14275 on Restoring Common Sense to Federal Procurement DATE August 5, 2025

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