

PGI 229.7002-2 Import duty.

No import duty shall be paid by the United States and contract prices shall be exclusive of duty, except when the administrative cost compared to the low dollar value of a contract makes it impracticable to obtain relief from contract import duty. In this instance, the contracting officer shall document the contract file with a statement that—

- (a) The administrative burden of securing tax relief under the contract was out of proportion to the tax relief involved;
- (b) It is impracticable to secure tax relief;
- (c) Tax relief is therefore not being secured; and
- (d) The acquisition does not involve the expenditure of any funds to establish a permanent military installation.

Parent topic: [PGI 229.7002 Tax exemption in the United Kingdom.](#)