

9.108-2 Prohibition.

(a) Section 745 of Division D of the Consolidated Appropriations Act, 2008 (Pub. L. 110-161) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions) prohibit, on a Governmentwide basis, the use of appropriated (or otherwise made available) funds for contracts with either an *inverted domestic corporation*, or a *subsidiary* of such a corporation, except as provided in paragraph (b) of this section and in 9.108-4 Waiver.

(b)

(1) Section 745 and its successor provisions include the following exception: This section *shall* not apply to any Federal Government contract entered into before the date of the enactment of this Act, or to any *task order* issued pursuant to such contract.

(2) To ensure appropriate application of the prohibition and this exception, *contracting officers should* consult with legal counsel if, during the performance of a contract, a contractor becomes an *inverted domestic corporation* or a *subsidiary* of one.

Parent topic: 9.108 Prohibition on contracting with inverted domestic corporations.