

OMB No. 0704-0390
Supporting Statement

**Defense Federal Acquisition Regulation Supplement (DFARS) Part
229, Taxes, and related clause at 252.229**

A. Justification

1. Requirement. This statement supports the information collection requirement currently approved under OMB Control Number 0704-0390, Defense Federal Acquisition Regulation Supplement (DFARS) Part 229, Taxes, and related clause at 252.229.

The clause at DFARS 252.229-7010, Relief from Customs Duty on Fuel (United Kingdom), is prescribed in DFARS 229.402-70(j), for use in solicitations issued and contracts awarded in the United Kingdom that require the use of fuels (gasoline or diesel) and lubricants in taxis or vehicles other than passenger vehicles (TAB A). This clause implements an agreement between the United States Government and Her Majesty's (HM) Customs and Excise of the United Kingdom. The clause requires the contractor to submit to the contracting officer evidence that an attempt to obtain relief from customs duty on fuels and lubricants has been initiated.

2. Purpose. This information, provided by the contractor in an attempt to obtain relief from customs duty, is used by Government contracting officers to determine adjustments to the contract price. If an attempt to obtain relief has been initiated, then the contracting officer will await the decision of HM Customs and Excise before appropriately adjusting the contract price. If the contractor does not attempt to obtain relief within the time specified, the contracting officer may deduct from the contract price the amount of relief that would have been allowed if HM Customs and Excise had favorably considered a request for relief.

3. Information Technology. Improved information technology is used to the maximum extent practicable. This information collection complies with the Government Paperwork Elimination Act, Pub. L. 105-277, Title XVII.

4. Duplication. As a matter of policy, DoD reviews the Federal Acquisition Regulation (FAR) to determine if adequate language already exists. This request for information applies solely to DoD and does not duplicate any other requirement. Similar information is not already available to the Government.

5. Small business. The burden applied to small business is the minimum consistent with applicable laws, Executive orders, regulations and prudent business practices. These collections are not expected to have a significant economic impact on a substantial number of small entities because the burdens imposed are not significant and most contractors to which the rule applies are not "small entities" as defined in 5 U.S.C. 601.

6. Consequences for noncollection. This collection of information is conducted on an occasional basis as the need arises to obtain tax relief. Less frequent collection or no collection of information could result in increased costs for the Government.

7. Special circumstances. The information will not be collected in a manner that requires an explanation of special circumstances. Collection is consistent with the guidelines in 5 CFR 1320.5(d)(2).

8. Public comments and consultation. This information collection is consistent with the guidelines in 5 CFR 1320.5(d). Public comments were solicited in the Federal Register ([79 FR 51143](#)) on August 27, 2014. No public comments were received.

9. Payment to respondents. No payments or gifts will be provided to respondents to this information collection requirement, other than remuneration to contractors under their contracts.

10. Confidentiality. This information is disclosed only to the extent consistent with prudent business practices, current regulations, statutory and Freedom of Information Act requirements. No assurance of confidentiality is provided to respondents. A Systems of Records notice is not required as information collected is business related.

11. Sensitive questions. No sensitive questions are involved.

12. Estimate of public burden. The public burden was estimated as follows:

Public Burden - 252.229-7010		Note
Number of respondents	40	(1)

Responses per respondent	1	(2)
Total annual responses	40	
Hours per response	4	(3)
Total hours	160	
Cost per hour	\$25	(4)
Total annual cost to public	\$4,000	

Notes:

(1) The estimated number of respondents is based on the average number of service contracts that would potentially have incurred costs for fuel and lubricants purchased in the United Kingdom. This estimate was derived through an analysis of Federal Procurement Data System (FPDS) data for the fiscal years (FY) FY2010 through FY2013. The analysis included contracting actions where the Product Service Code (PSC) was equal to V002, V114, V115, V121, V124, V127, V211, V212, V213, V221, V212, V213, V221, and V302. The potential list of PSCs included category M for operation or maintenance of facilities; however, there were no contracts awarded in category M in FY2010 through FY2013.

(2) It is estimated that, for each contract action subject to the clause, contractors will submit evidence once per year that an attempt to obtain relief from customs duty on fuels and lubricants has been initiated.

(3) It is estimated that the contractor will need an average of 4 hours to gather and process the required documentation to the contracting officer. This includes the time to file the necessary request for relief with Her Majesty's Customs and Excise, make copies, and submit the request via email to the cognizant contracting officer.

(4) It is estimated that the level of skill required to process and submit the required request for relief to the contracting officer is equivalent to that of a GS-7 employee. Based on GS-7, step 5 hourly rate (\$18.64) for calendar year 2014 plus 36.26 percent burden (\$6.76), equals \$25.40 per hour, which is rounded to \$25 per hour.

13. Estimated nonrecurring costs. There are no estimates of annualized public cost burden, other than those costs associated with burden hours.

14 Estimated cost to the Government.

Government Burden		Note
Total annual responses	40	(1)

Hours per response	1	(2)
Total annual hours	40	
Cost per hour	\$38	(3)
Total annual cost to Government	\$1,520	

Notes:

(1) See Item 12, above.

(2) The estimated 1 hour per response is based on the time required for the Government to receive, review, and analyze the information submitted by the contractor.

(3) Based on GS-11, step 5 hourly rate (\$27.58) for calendar year 2014 plus 36.25 percent burden (\$10.00), equals \$37.58 per hour, which is rounded to \$38 per hour.

15. Reasons for change in burden. The changes in the estimated burden hours in Item 12 above reflect an adjustment due to a reduction in the average number of contract actions subject to the clause each year, based on FY 2013 FPDS data. Accordingly, there is a corresponding decrease in the estimated cost due to the reduction in the estimated number of contract actions. The following table reflects the adjustment to hours and cost:

	<u>2014</u>	<u>2011</u>	<u>Change</u>
Hours	160	300	(140)
Dollars	\$4,000	\$7,332	(\$3,232)

16. Publication. Results of this information collection will not be published.

17. Expiration date. We do not seek approval not to display the expiration date for OMB approval of the information collection.

18. Certification. There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.

B. Collections of Information Employing Statistical Methods. Statistical methods will not be employed.