29.302 Application of State and local taxes to the Government.

(a) Generally, purchases and leases made by the Federal Government are immune from State and local taxation. Whether any specific purchase or lease is immune, how-ever, is a legal question requiring advice and assistance of the agency-designated counsel.

(b) When it is economically feasible to do so, *executive agencies shall* take maximum advantage of all exemptions from State and local taxation that *may* be available. If appropriate, the *contracting officer shall* provide a Standard Form 1094, U.S. Tax Exemption Form (see part 53), or other evidence listed in 29.305(a) to establish that the purchase is being made by the Government.

Parent topic: Subpart 29.3 - State and Local Taxes