

■ 36. Amend section 23.804 by revising the introductory paragraph to read as follows:

**23.804 Contract clauses.**

Except for contracts that will be performed outside the United States and its outlying areas, insert the clause at:

\* \* \* \* \*

■ 37. Amend section 23.903 by revising paragraph (b)(2) to read as follows:

**23.903 Applicability.**

\* \* \* \* \*

(b) \* \* \*  
(2) Contractor facilities located outside the United States and its outlying areas.

■ 38. Amend section 23.906 by revising paragraph (a)(2)(v) to read as follows:

**23.906 Requirements.**

(a) \* \* \*  
(2) \* \* \*  
(v) Are not located in the United States and its outlying areas.

\* \* \* \* \*

■ 39. Revise section 23.1002 to read as follows:

**23.1002 Applicability.**

The requirements of this subpart apply to facilities owned or operated by an agency in the customs territory of the United States.

**PART 25—FOREIGN ACQUISITION**

■ 40. Amend section 25.003 by removing the definition “Customs territory of the United States”; and revising the definition “United States” to read as follows:

**25.003 Definitions.**

\* \* \* \* \*

*United States* means the 50 States, the District of Columbia, and outlying areas.

\* \* \* \* \*

**PART 26—OTHER SOCIOECONOMIC PROGRAMS**

■ 41. Amend section 26.300 by revising paragraph (b) to read as follows:

**26.300 Scope of subpart.**

\* \* \* \* \*

(b) This subpart does not pertain to contracts performed entirely outside the United States and its outlying areas.

**PART 28—BONDS AND INSURANCE**

**28.202 [Amended]**

■ 42. Amend section 28.202 in paragraph (a)(1) by removing “, its possessions, or Puerto Rico” and adding “or its outlying areas” in its place.

■ 43. Amend section 28.203–2 by revising the first sentence of paragraph (b)(4) and paragraph (c)(3)(i) to read as follows:

**28.203–2 Acceptability of assets.**

\* \* \* \* \*

(b) \* \* \*  
(4) Real property owned in fee simple by the surety without any form of concurrent ownership, except as provided in paragraph (c)(3)(iii) of this subsection, and located in the United States or its outlying areas. \* \* \*

\* \* \* \* \*

(c) \* \* \*  
(3) \* \* \*

(i) Real property located outside the United States and its outlying areas.

\* \* \* \* \*

**28.301 [Amended]**

■ 44. Amend section 28.301 in the introductory text by removing “be required to”; and in the third sentence of paragraph (b) by removing “, its possessions, and Puerto Rico” and adding “and its outlying areas” in its place.

■ 45. Amend section 28.310 by revising the introductory text of paragraph (a) and paragraph (a)(2) to read as follows:

**28.310 Contract clause for work on a Government installation.**

(a) Insert the clause at 52.228–5, Insurance—Work on a Government Installation, in solicitations and contracts if a fixed-price contract is contemplated, the contract amount is expected to exceed the simplified acquisition threshold, and the contract will require work on a Government installation, unless—

\* \* \* \* \*

(2) All work on the Government installation will be performed outside the United States and its outlying areas.

\* \* \* \* \*

**PART 29—TAXES**

■ 46. Amend section 29.202 by revising paragraph (b) to read as follows:

**29.202 General exemptions.**

\* \* \* \* \*

(b) Shipment for export to a foreign country or an outlying area of the United States. Shipment must occur within 6 months of the time title passes to the Government. When the exemption is claimed, the words “for export” must appear on the contract or purchase document, and the contracting officer must furnish the seller proof of export (see 26 CFR 48.4221–3).

\* \* \* \* \*

■ 47. Revise section 29.401–1 to read as follows:

**29.401–1 Indefinite-delivery contracts for leased equipment.**

Insert the clause at 52.229–1, State and Local Taxes, in solicitations and contracts for leased equipment when—  
(a) A fixed-price indefinite-delivery contract is contemplated;

(b) The contract will be performed wholly or partly in the United States or its outlying areas; and

(c) The place or places of delivery are not known at the time of contracting.

■ 48. Amend section 29.401–3 by revising paragraph (a)(1) to read as follows:

**29.401–3 Federal, State, and local taxes.**

(a) \* \* \*

(1) The contract is to be performed wholly or partly in the United States or its outlying areas;

\* \* \* \* \*

**PART 31—CONTRACT COST PRINCIPLES AND PROCEDURES**

**31.205–46 [Amended]**

■ 49. Amend section 31.205–46 in paragraph (a)(2)(i) by removing “conterminous 48” and adding “contiguous” in its place; and in paragraph (a)(2)(ii) by removing “The Commonwealth of Puerto Rico, and territories and possessions” and adding “and outlying areas” in its place.

**PART 35—RESEARCH AND DEVELOPMENT CONTRACTING**

**35.014 [Amended]**

■ 50. Amend section 35.014 in paragraph (d)(1) by removing from the quoted text “States” and adding “States or its outlying areas” in its place.

**PART 36—CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS**

■ 51. Amend section 36.103 by revising paragraph (a) to read as follows:

**36.103 Methods of contracting.**

(a) The contracting officer shall use sealed bid procedures for a construction contract if the conditions in 6.401(a) apply, unless the contract will be performed outside the United States and its outlying areas. (See 6.401(b)(2).)

\* \* \* \* \*

■ 52. Revise section 36.609–4 to read as follows:

**36.609–4 Requirements for registration of designers.**

Insert the clause at 52.236–25, Requirements for Registration of Designers, in architect-engineer