

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE K	PAGE OF PAGES 1 5
2. AMENDMENT/MODIFICATION NO. 0001	3. EFFECTIVE DATE October 20, 2003	4. REQUISITION/PURCHASE REQ. NO. SP0600-02-0075, Amd 45	5. PROJECT NO. (If applicable)	
6. ISSUED BY DESC-PEB/FRANCIS MURPHY DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN RD., SUITE 4950 FORT BELVOIR, VA 22060-6222	CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (NO., street, city, county, State, and ZIP Code)		(u) X	9A. AMENDMENT OF SOLICITATION NO. SP0600-04-R-0015	
			9B. DATED (SEE ITEM 11) OCTOBER 16, 2002	
			10A. MODIFICATION OF CONTRACT/ORDER NO.	
			10B. DATED (SEE ITEM 13)	
BIDDER CODE:	CAGE CODE:	DUNS:		
CODE	FACILITY CODE			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<p><input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [] is extended, <input checked="" type="checkbox"/> is not extended</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:</p> <p>(a) By completing Items 8 and 15, and returning <u>1</u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
D. OTHER Specify type of modification and authority)				
E. IMPORTANT: Contractor [] is not, [] is required to sign this document and return ___ copy to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
1. Offerors must acknowledge receipt of this amendment by filling out block 8 above and signing and dating blocks 15A., 15B., and 15C. below, and returning this document to DESC.				
SEE PAGE 2:				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)		
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
(Signature of person authorized to sign)		(Signature of Contracting Officer)		

2. Add the following item/location to the solicitation:

Item	Supply, Bunker Location and Method of Delivery	Two-Year Estimated Quantity (Metric Tons)	Unit Price (U. S. Dollars per Metric Ton)
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ITEM
NUMBERESTIMATED
QUANTITY
(2 YEARS)

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STATE OF CONNECTICUT

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515-881**GROTON,**CT, NAVY, NAVAL SUBMARINE BASE,
NEW LONDON COUNTY#1 LOW SULFUR DIESEL FUEL (RED-DYED)
NSN: 9140-01-413-7194
MAX SULFUR CONTENT 0.037%

90,000 GALLONS

TANK WAGON (TW), INTO
1/500 ABOVE GROUND TANK AT SHIPPING PORT PIER 15
DELIVERY: 1 TRUCKLOAD (2400 GL) EVERY TUESDAY AT
10 AM CONSISTENTLY, OCTOBER 28, 2003 - JANUARY 19, 2004.
ADDITIONAL DELIVERIES BEGINNING MARCH 2004.
CERTIFICATE OF ANALYSIS REQUIRED W/EACH TRUCKLOAD.

Item 515-881

Offer Price \$ per gallon \$ _____

Base Reference Price (\$ per gallon) **\$.958500**

NOTE: Orders will be placed through PORTS for individual delivery dates, locations, and quantities.

3. Clause B19.19 ECONOMIC PRICE ADJUSTMENT is hereby revised to add the Base Reference Date/Price for the additional line item, and to hereby revise the Base Reference Date/Price for Item 694-55 (Philadelphia, PA):

ITEM NO.	LOCATION	RECOMMENDED EPA REFERENCE	BASE REFERENCE DATE	BASE REFERENCE PRICE \$/ GL
515-881	GROTON, CT	OPIS PAD REPORTS, PAD 1 NEW HAVEN, CT, #1 (Kero)	10/13/03	\$.958500
694-55	Philadelphia, PA	Platts Oilgram Price Report, 5-Day Rolling Average NEW YORK, #6 0.3% High Pour Point, Spot Cargo	10/14/03	\$.715000

Evaluation will be in accordance with the evaluation criteria set forth in the original solicitation.

4. The terms and conditions of Master Solicitation SP0600-02-R-0048 are modified as follows:

- a. The following clauses are hereby deleted from Master Solicitation SP0600-02-R-0048:
 - (1) I28.01, FEDERAL, STATE, AND LOCAL TAXES (DESC JUN 2002) (DEVIATION)
 - (2) I28.02-2, FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC FEB 2003)
 - (3) I28.03-2, TAX EXEMPTION CERTIFICATES (DESC NOV 2001)

- b. The following clauses are hereby added in full text:
 - (1) I28.01, FEDERAL, STATE, AND LOCAL TAXES (AUG 2003)
 - (2) I28.02-2, FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC OCT 2003)
 - (3) I28.03-2, TAX EXEMPTION CERTIFICATES (DESC OCT 2003)

The revised clauses are included in their entirety with this Amendment.

c. As a result of the above clause revisions, for deliveries commencing on or after November 1, 2003, only Federal Excise Tax (FET) shall be excluded from the contract price and separately itemized on the Contractor's invoice. All other taxes and/or fees which were previously authorized to be included as a separate item on the invoice should be included in your offer price.

5. All other terms and conditions of the solicitation remain unchanged.

The following clauses are hereby added to the solicitation:**128.01 FEDERAL, STATE, AND LOCAL TAXES (DESC AUG 2003) (DEVIATION)**

(a) As used in this clause--

(1) **After-imposed tax** means any new or increased Federal, State, or local tax that the Contractor is required to pay or bear the burden of as the result of legislative, judicial, or administrative action taking effect after the contract date.

(2) **After-relieved tax** means any amount of Federal, State, or local tax that would otherwise have been payable on the transactions or property covered by this contract, but which the Contractor is not required to pay or bear the burden of, or for which the Contractor obtains a refund or drawback, as the result of legislative, judicial, or administrative action taking effect after the contract date.

(3) **All applicable Federal and State taxes** means all excise taxes that the taxing authority is imposing and collecting on the transactions or property covered by this contract pursuant to written ruling or regulation in effect on the contract date.

(4) **Contract date** means the date set for bid opening or, if this is a negotiated contract or a modification, the date set for final revised prices.

(5) **Local taxes** means taxes levied by the political subdivisions of the States, District of Columbia, or outlying areas of the United States, e.g., cities and counties.

(6) **Outlying areas** means—

(i) **Commonwealths.** Puerto Rico and The Northern Mariana Islands;

(ii) **Territories.** American Samoa, Guam, and The U.S. Virgin Islands; and

(iii) **Minor outlying islands.** Baker Island; Howland Island, Jarvis Island; Johnston Atoll; Kingman Reef; Midway Islands; Navassa Island; Palmyra Atoll; and Wake Atoll.

(7) **State taxes** means taxes levied by the States, the District of Columbia, or outlying areas of the United States.

(8) **Tax** means taxes, duties and environmental or inspection fees, except social security or other employment taxes.

(b) The contract price includes all applicable Federal, State, and local taxes, except as otherwise provided. (See either the FEDERAL AND STATE TAXES/FEES EXCLUDED FROM CONTRACT PRICE clause or the FEDERAL, STATE, AND LOCAL TAXES AND FEES clause.)

(c) The contract price shall be increased by the amount of any after-imposed tax if the Contractor states in writing that the contract price does not include any contingency for such tax.

(d) The contract price shall be decreased by the amount of any after-relieved tax.

(e) **The contract price shall also be decreased by the amount of any tax that the Contractor is required to pay or bear the burden of, or does not obtain a refund of, through the Contractor's fault, negligence, or failure to follow instructions of the Contracting Officer.**

(f) The Contractor shall promptly notify the Contracting Officer of all matters relating to any tax that reasonably may be expected to result in either an increase or decrease in the contract price and shall take appropriate action as the Contracting Officer directs.

(g) The Government shall, without liability, furnish evidence appropriate to establish exemption from any Federal, State, or local tax when the Contractor requests such evidence and a reasonable basis exists to sustain the exemption.

(DESC 52.229-9F15)

128.02-2 FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC OCT 2003)

(a) **FEDERAL EXCISE TAXES EXCLUDED.** Contract prices for fuel and fuels oils furnished under this contract exclude Federal Excise Taxes (FET). Contractors shall invoice applicable FET as follows:

(1) **GASOLINE/GASOHOL.** Unless an exemption applies, include the FET as a separate item on the Contractor's invoice.

(2) **AVIATION GASOLINE.** Unless an exemption applies, include the FET as a separate item on the Contractor's invoice.

NOTE: Use of aviation gasoline for military aircraft is tax-exempt.

(3) **FUEL OIL (BURNER GRADES) NUMBERS 1, 2, 4, 4 (LIGHT), 5 (LIGHT), 5 (HEAVY), AND 6.** There is no FET on fuel oils (burner grades). Lighter grades (numbers 1, 2, and 4 (light)) must be dyed. Contractors are responsible for obtaining fuel oils (burner grades numbers 1, 2, and 4 (light)) meeting Internal Revenue Service (IRS) dyeing requirements.

(4) **DIESEL AND NONAVIATION GRADE KEROSENE FUEL.**

(i) **UNDYED DIESEL AND UNDYED NONAVIATION KEROSENE FUEL.** Unless an exemption applies, include the FET as a separate item on the Contractor's invoice.

(ii) **DYED DIESEL AND DYED NONAVIATION KEROSENE FUEL.** There is no FET on dyed diesel and dyed nonaviation kerosene fuel.

(5) **JET FUEL.** Unless an exemption applies, include the FET as a separate item on the Contractor's invoice. **NOTE: Use of jet fuel for military aircraft is tax-exempt.**

128.02-2 FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC OCT 2003) (CONT'D)

(6) **BIODIESEL (B-20)**. Unless an exemption applies, include the FET as a separate item on the Contractor's invoice.

(7) **E85 (QUALIFIED ETHANOL)**. Unless an exemption applies, include the FET as a separate item on the Contractor's invoice.

(8) **EXEMPT SALES**. As noted above, use of jet fuel and aviation gasoline for military aircraft is tax exempt. Certain uses of gasoline, undyed diesel fuel, and undyed nonaviation kerosene may also be tax-exempt. Contractors authorized by the IRS to sell tax-free fuel should obtain exemption certificates for these sales and not invoice the FET. **A Contractor not permitted by IRS regulations to sell tax-free fuel must state that in its offer.**

(b) **STATE TAXES INCLUDED**. Unless an exemption applies, all contract prices **INCLUDE** State taxes. Examples of such taxes include excise, gross receipts, NORA, etc. The Contractor's invoice shall include a list of all State taxes that are included in the price, including the applicable rate.

(c) **LOCAL TAXES INCLUDED**. *Unless an exemption applies, all contract prices INCLUDE local (city, county, etc.) taxes. The Contractor's invoice shall include a list of all local taxes that are included in the price, including the applicable rate.*

(d) **ENVIRONMENTAL AND OIL SPILL TAXES AND INSPECTION FEES INCLUDED**. Unless an exemption applies, all contract prices **INCLUDE** State and local environmental and oil spill taxes and inspection fees.

(e) **LICENSES** Federal, State, and local licenses or other requirements necessary to establish Contractor's entitlement to do business and/or to make tax-exempt sales under this contract are the Contractor's responsibility. Failure to obtain appropriate licenses or to follow required procedures shall preclude the reimbursement of taxes that would otherwise be exempt.

(DESC 52.229-9F25)

128.03-2 TAX EXEMPTION CERTIFICATES (DESC OCT 2003)**(a) TAX EXEMPTION CERTIFICATES FOR MILITARY ACTIVITIES, INCLUDING THE NATIONAL GUARD.**

(1) The Ordering Officer will issue tax exemption certificates for Federal Excise Tax (FET), where applicable.

(2) Tax exemption certificates for the FET will not be issued for Army National Guard and Air National Guard activities. DFAS Columbus will pay the FET and apply to the Internal Revenue Service (IRS) for any applicable refund.

(3) All military activities, including the National Guard, will issue tax exemption certificates for State and local taxes and fees, where applicable. Contractors shall forward requests for tax exemption certificates covering any State or local taxes or fees to the Ordering Officer. If the Ordering Officer fails to provide tax exemption certificates requested by the Contractor, the Contractor shall notify the DESC Contracting Officer and an exemption certificate shall be issued, if applicable. The DESC Contracting Officer may authorize payment of the tax if the Ordering Officer refuses to issue the tax.

(b) **FEDERAL, STATE, AND LOCAL TAX EXEMPTIONS FOR FEDERAL CIVILIAN AGENCIES**. Contractors shall forward requests for tax exemption certificates for Federal, State, and local taxes or fees to the Ordering Officer, when applicable.

(c) **GOVERNMENT OPTION TO DEDUCT TAX AND FURNISH TAX EXEMPTION CERTIFICATES**. If this contract provides that the Contractor should invoice for the FET, the supplies under contract are intended for a taxable purpose. However, where the invoice for any item includes the FET and tax exemption can be claimed, the Government may deduct the applicable tax from the order or the invoice and furnish a tax exemption certificate in lieu of paying the tax. The Ordering Officer will issue these tax exemption certificates.

(DESC 52.229-9F45)