

INVITATION TO BID

FRIENDS AND FAMILY PACKAGE PROGRAM

ISSUING OFFICE

PENNSYLVANIA DEPARTMENT OF CORRECTIONS

6100043850

DATE OF ISSUANCE

10-2-17

INVITATION TO BID
FOR
FRIENDS AND FAMILY PACKAGE PROGRAM

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CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via email to rilgenfrit@pa.gov	Potential Offerors	10-6-17
Optional - Pre-bid Conference—Location. Correctional Industries, Camp Hill, 2520 Lisburn Road, Camp Hill, PA 17011 CI Lisburn Road Conference Room 1	Issuing Office/Potential Offerors	10-11-17 10:00AM
Answers to Potential Offeror questions posted to the DGS website at http://www.emarketplace.state.pa.us/Search.aspx no later than this date.	Issuing Office	10-12-17
Please monitor website for all communications regarding the ITB.	Potential Offerors	
Sealed bid must be received by the Issuing Office at PA Department of Corrections, Attn: Russ Ilgenfritz, 1920 Technology, Mechanicsburg, PA 17050	Offerors	10-26-17 2:00PM

STATEMENT OF WORK

IV.1 Objectives:

- A. General.** The Pennsylvania Department of Corrections (DOC) is seeking to obtain a Vendor to provide a Friends and Family Package (FFP) Program, limited to: food and personal hygiene products to inmates located at all State Correctional Institutions (SCI) in Pennsylvania.
- B. Specific.** The DOC is seeking a Vendor to operate a customized offender direct package program where, on a quarterly or other defined schedule, eligible offenders and offenders' friends and family members may order packages of pre-approved products for delivery to offenders housed in Pennsylvania State Correctional Facilities. The awarded Vendor shall supply and deliver FFPs for distribution by DOC Commissary staff. The resulting contract shall be a "No Cost" contract to the Commonwealth of Pennsylvania. Fees for services will be charged by the awarded Vendor to end users, who are comprised of incarcerated offenders, family members and friends.

IV.2 Scope of Product:

1. The Friends and Family Package Program is available to inmates in the 25 State Correctional Institutions throughout the Commonwealth. A map and listing of the State Correctional Institutions and population reports can be found at <http://www.cor.pa.gov/Facilities/StatePrisons/Pages/default.aspx>
2. Inmate population may vary during the term of the contract and the DOC reserves the right to add or remove institutions from the contract.
3. The awarded Vendor shall deliver all Friends and Family packages to the DOC State Correctional Institutions where the inmate recipients are housed.
4. If a Vendor has any questions regarding this solicitation, the Vendor must submit questions by email to the Issuing Officer, with the subject line containing only the solicitation for bid identification number set forth herein. All questions of this nature must be asked prior to the pre-bid conference to ensure a timely response. All responses will be posted to the PA Department of General Services website at <http://www.emarketplace.state.pa.us> . All questions and responses posted will be considered an addendum to, and part of this ITB. Each Vendor shall be responsible to monitor the PA Department of General Services website for new and revised ITB information.

5. The term of the contract will commence on the Effective Date and will end **one (1) year from execution of contract with four (4) optional one year extensions**. The Issuing Office will fix the Effective Date after the contract has been fully executed by the selected Vendor and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The selected Vendor shall not start the performance of any work prior to the Effective Date of the contract. The DOC has the right to request supplemental information during the contract.
6. The bid that is determined to give the highest discount to the PA DOC from a responsible and responsive bidder will be offered a contract for execution.

IV.3 Tasks:

A. Marketing.

The awarded vendor, in response to this IFB, shall work with the PA-DOC to develop a marketing plan including a catalog, order form and program advertising materials. Bidder shall provide (1) one sample to be included in Vendor's response of previous catalogs used in other packaging programs. Vendor is responsible for producing marketing materials for all DOC institutions. Catalogs previously used in other Correctional Industry Package Programs are highly preferred. All posters, pamphlets, website and product updates are due (4) weeks prior to the start of the new quarter and must be distributed to all Pennsylvania State Correctional Facilities in adequate quantities.

Catalog item descriptions must include (if applicable): K-Kosher, C-Clear, R-Re-Sealable, H-Halal, G-Gluten Free, S-Soy Free, Sugar Free, or any other applicable designation if necessary.

B. Products.

1. All FFP products must be approved by the DOC Centralized Commissary Committee. All items/products must meet any DOC Security packaging requirements. Items/Products may also change throughout the term of the contract. Listed below are general security requirements that must be adhered to for all products. This is not a complete list of requirements/restrictions and additional security requirements with regards to packaging or products may be added as deemed necessary by the DOC Centralized Commissary Committee and the DOC Central Office Security Division.
 - a. Containers/bags are to be clear, resealable and plastic when available.
 - b. No foiled packaging, hard canisters or cans, no squirt-type bottles for liquid products, and no metal or glass containers will be permitted.

2. Items/products cannot be the same product currently being sold by the DOC Bureau of Correctional Industries Commissary program. The awarded Vendor shall supply the proposed listing of items to be provided by the vendor to the DOC two (2) months in advance of new quarter for review and approval. Current Commissary products can be found here:
<http://www.cor.pa.gov/Inmates/Pages/Commissary-Catalogs.aspx>
3. The awarded vendor will track inventory levels and supply products on a weekly basis.
4. The awarded vendor will be responsible for all inventory management, spoilage, date sensitive product and return shipping costs.
5. The awarded bidder is fully responsible for any manufacturer recalls. Product shipments must include shipping manifests and packing slips.

C. Hardware – Software.

1. Vendor is responsible to provide all hardware and software needed to process FFP orders to include, at a minimum, inventory management and order processing. This includes but not limited to the following. Computers, Scanners, Monitors, Printers, Application Software, Pick Racking, Pick Bins, Pallet Racking, Conveyor Lines, Label Printers, Processing Stations, Box Tape Machine, Bag Taping Machine, etc. at no cost to the Commonwealth.

D. Ordering Process.

1. The awarded Vendor shall provide an internet website and call center available 24/7 in both English and Spanish for ordering and call assistance. In response to this IFB, the Vendor shall provide detailed information regarding their customer service operations including how the Friends and Family Package Program will be managed including time frames, ordering methods and cutoff dates. Vendor shall provide a sample order form in the bid response that has been used in other Package Programs. An order form previously used in another Correctional Package Program is highly preferred. All order forms and ordering instructions are due four (4) weeks prior to the start of the new quarter and must be distributed to all Pennsylvania State Correctional Facilities.
2. The awarded Vendor shall allow only one order acceptance per quarter, per offender, with a maximum price of \$80.00 per order.
3. The awarded Vendor's website shall list custody level guidelines for offenders eligible to receive packages from the Friends and Family Package Program. The vendor is responsible for restricting orders based on DOC offender custody as listed below.

Example of eligible custody levels:

1. Eligible
 2. Eligible
 3. Eligible
 4. Eligible
 5. Not Eligible
- 5(d).** (Capital Cases) - Eligible
Not Classified - Not Eligible
PVP (Parole Violator Pending) – Eligible

4. The awarded Vendor shall develop the process to be used to receive orders via an Internet website to include a process to receive an updated secure FTP file containing information from the PA DOC Bed Management Program. This file will be provided to the awarded vendor on a nightly basis Monday – Friday excluding weekends.
5. The Friends and Family Program Order Form shall include the following information:
 - **Ship to information:** Inmate Name, ID Number, Institution, Housing location Address, City, State, Zip Code.
 - **Sender’s (person whom placed the order) information to include the following:** Name, Street Address, City, State, Zip Code, Phone Number, Email (if applicable)
 - **Category listings will include the following:** Quantity, Item Number, Item Description, Price, Total Price, Taxable items marked with an asterisk (*)
 - Bidder is responsible to list any processing and handling fees applicable. All fees must be clearly listed on order forms.
6. Vendor shall provide the Privacy Policy and Terms and Conditions on their website.
7. Vendor shall provide a sample ordering period/delivery schedule used in prior similar Corrections package program(s).
8. The Vendor must provide a plan for fulfilling and delivering orders in the event of an emergency at any State Correctional Institution resulting in temporary shutdown of SCI Commissary Distribution.
9. Awarded Vendor must accept returns of undeliverable packages and credit ordering parties’ accounts at no cost to the DOC.

E. Delivery Schedule.

1. The delivery schedule information is required to be posted on the awarded Vendor’s FFP website.

F. Payment Methods.

1. The awarded Vendor shall be required to accept various payment methods from both Friends and Family and Offender. Offender orders must be paid by institutional check with order (an institutional check is a check issued by the institution on behalf of the inmate).
2. The awarded Vendor shall be responsible for processing, collecting, and remitting all applicable PA Department of Revenue state and local sales tax. The taxation tables must be made available on website and order forms. All items must be indicated if tax is applicable. **(See Appendix C – Retailer Sales Tax Information)**

Example Sales Tax Rates	
<u>Institution</u>	<u>Tax Rate</u>
SCI- Albion	6%

G. Commission.

1. Vendor Financial Responsibility: The awarded vendor shall provide a quarterly commission of 20% Gross quarterly sales to the DOC/PCI.

H. Transfers and Returns.

1. Credit Process: The awarded Vendor shall be responsible to develop the process that will be used to handle of out of stock items, incomplete shipments or discrepancies, refunds, returns, credits and complaints. The awarded Vendor shall provide credits for any out of stocks incurred during the order packing process. The awarded Vendor shall be responsible for any such monetary credits that are due back to the person(s) whom placed the order.
2. The awarded Vendor shall be responsible to develop a return call tag process to handle package transfers (in the event the inmate has transferred to another SCI or, if the inmate has been released) and return orders to include the process to credit any such orders at no cost to the DOC. The process must be available at all SCI facilities. The SCI facilities can be found at www.cor.state.pa.us.

IV.4 DOC Responsibilities:

1. SCI Commissary staff will deliver orders to offenders and provide confirmation of delivery.
2. Delivery of orders will take place utilizing PCI's normal commissary delivery cycles.
3. SCI Commissary staff will affix return documents to any undeliverable inmate orders due to transfer or release for pick-up by the awarded vendor or a third party carrier as the awarded vendor directs.

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PART I - GENERAL INFORMATION

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I.1 IFB-001.1 Purpose (Oct 2006)

The Commonwealth of Pennsylvania (Commonwealth) is issuing this Invitation for Bids (IFB) to meet the needs of DEPARTMENT OF CORRECTIONS to satisfy a need for Friends and Family Package Program.

I.2 IFB-005.2B No Fee Contract Clause (Oct. 2006)

Since the Contract is a no fee contract, services/supplies will be provided at no cost to the Commonwealth.

I.3 IFB-008.1A Pre-bid Conference (Oct. 2006)

The Issuing Office will hold a pre-bid conference. The purpose of this conference is to provide opportunity for clarification of the IFB. Bidders should forward all questions before the pre-bid conference. Bidders may also ask questions at the conference. In view of the limited facilities available for the conference, Bidders should limit their representation to two individuals per Bidder. The pre-bid conference is for information only. Any answers furnished during the conference will not be official until they have been verified, in writing, by the Issuing Office. Attendance at the pre-bid conference is optional. The pre-bid conference will be held on 10/11/2017 at 10:00AM/PA CORRECTIONAL INDUSTRIES, 2520 LISBURN ROAD, CAMP HILL, PA 17011 .

I.4 IFB-009.1 Questions (February 2012)

All questions regarding the IFB must be submitted in writing to the email address of the Issuing Officer provided in the solicitation. While there is no set timeline for the submittal of questions, questions received within 48 hours prior to the bid due date and time will be answered at the discretion of the Commonwealth. All questions received will be answered, in writing, and such responses shall be posted to eMarketplace as an addendum to the IFB. The Issuing Officer shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the IFB or formally issued as an addendum by the Issuing Office. The Issuing Office does not consider questions to be a protest of the specifications or of the solicitation.

I.5 IFB-010.1 Addenda to the IFB (Oct. 2006)

If the Issuing Office deems it necessary to revise any part of this IFB before the bid response date, the Issuing Office will post an addendum to its website at WWW.EMARKETPLACE.STATE.PA.US it is the Bidder's responsibility to periodically check the website for any new information or addenda to the IFB.

I.6 IFB-011.1A Submission of Bids – Paper Submittal (Dec 12 2006)

- a. Bids are requested for the item(s) described in the Invitation For Bids and all the documents referenced in the form (collectively called the IFB). Bidders must complete and properly sign, in ink, the Invitation For Bids form. Bid prices must be typewritten or in ink. Bids that are priced or signed in pencil will be rejected.
- b. The completed and signed Invitation For Bids form, as well as the other documents required by the IFB (collectively referred to as the "Bid"), shall be enclosed and sealed in an envelope which is clearly marked "Bid" and includes the assigned Bid Invitation Number (Shown on the Invitation For Bids form) and the Bidder's vendor number as well as the bid opening date and time. It is the responsibility of each bidder to ensure that its Bid is received at the return address shown on the Invitation For Bids form ("Bid Opening Room") prior to the date and time set for the opening of bids ("Bid Opening Time"), regardless of method of delivery used. No Bid shall be considered if it arrives at the Bid Opening Room after the Bid Opening Time, regardless of reason for the late arrival. In the event that, due to inclement weather, natural disaster, or other cause, the Commonwealth

offices are officially closed on the date scheduled for Bid opening, the Bid Opening date shall be automatically postponed until the next Commonwealth business day, unless the Bidders are otherwise notified by the Issuing Office. The Bid Opening time shall remain the same.

All envelopes containing Bids should be clearly marked "Bid" and should include the address of the Bid Opening Room (not the agency central processing location), the assigned Collective Number and the Bid Opening Time. Bids that are timely received in the Bid Opening Room prior to the Bid Opening Time shall be opened publicly in the presence of one or more witnesses at the time and place designated in this IFB for the Bid opening.

- c. Bids must be firm. If a Bid is submitted with conditions or exceptions or not in conformance with the terms and conditions referenced in the IFB Form, it shall be rejected. The Bid shall also be rejected if the items offered by the Bidder are not in conformance with the specifications as determined by the Commonwealth.
- d. The Bidder, intending to be legally bound hereby, offers and agrees, if this Bid is accepted, to provide the awarded items at the price(s) set forth in this Bid at the time(s) and place(s) specified.

I.7 IFB-024.1 Bid Protest Procedure (April 2016)

The Bid Protest Procedure is on the DGS website at

<http://www.dgs.pa.gov/Documents/Procurement%20Forms/Handbook/Pt1/Pt%20I%20Ch%2058%20Bid%20Protests.pdf>

I.8 IFB-029.1 Prices (Dec 6 2006)

The bid submitted by the successful Bidder will be incorporated into any resulting Contract and the Bidder will be required to provide the awarded item(s) at the prices quoted in its Bid.

I.9 IFB-031.1 Alternates (Oct 2013)

A Bidder who wants to offer an alternate must notify the Issuing Office in writing, at least five (5) days prior to the scheduled Bid opening, that the Bidder intends to offer an alternate in its Bid. An "alternate" is a product that deviates from the requirements of the specifications in its composition, qualities, performance, size dimension, etc. The written notification from the Bidder must include a complete description of the alternate and must identify the product's deviations from the specifications. Upon receipt of the notification, the Issuing Office will determine whether the alternate is acceptable. If the Issuing Office, in its discretion, determines that the alternate is acceptable, the Issuing Office will issue a change notice to the invitation for bids that revises the specifications. If no change notice is issued revising the specification, a Bid offering the alternate will not be considered for award. If an item or items in the IFB are designated "no substitute," this provision does not apply and no alternate may be proposed by a bidder nor will any alternate be considered by the Issuing Office.

I.10 IFB-032.1 New Equipment (Nov 2006)

Unless otherwise specified in this invitation for bids, all products offered by Bidders must be new or remanufactured. A 'new' product is one that will be used first by the Commonwealth after it is manufactured or produced. A 'remanufactured' product is one which: 1) has been rebuilt, using new or used parts, to a condition which meets the original manufacturer's most recent specifications for the item; 2) does not, in the opinion of the Issuing Office, differ in appearance from a new item; and 3) has the same warranty as a new item. Unless otherwise specified in this invitation for bids, used or reconditioned products are not acceptable. This clause shall not be construed to prohibit Bidders from offering products with recycled content, provided the product is new or remanufactured.

I.11 I-IFB-033.1 Modification or Withdrawal of Bid (Nov 2006)

- a. Bid Modification Prior to Bid Opening. Bids may be modified only by written notice or in person prior to the exact hour and date specified for Bid opening.
- 1) If a Bidder intends to modify its Bid by written notice, the notice must specifically identify the Bid to be modified and must be signed by the Bidder. The Bidder must include evidence of authorization for the individual who signed the modification to modify the Bid on behalf of the Bidder. The Bid modification must be received in a sealed envelope. The sealed envelope must identify the assigned Collective Number and the Bid Opening Time, and should state that enclosed in the envelope is a Bid modification
 - 2) If a Bidder intends to modify its Bid in person, the individual who will modify the Bid must arrive in the Bid Opening Room prior to the Bid Opening Time, show a picture identification and provide evidence of his/her authorization to modify the Bid on behalf of the Bidder. If a Bidder intends to modify its Bid in person, the Bidder may do so only in the presence of an agency employee. (The agency employee will observe the actions taken by the individual to modify the Bid, but will not read the Bid or the modification).
- b. Bid Withdrawal Prior to Bid Opening. Bids may be withdrawn only by written notice or in person prior to the exact hour and date specified for Bid opening.
- 1) If a Bidder intends to withdraw its Bid by written notice, the notice shall specifically identify the Bid to be withdrawn and shall be signed by the Bidder. The Bidder must include evidence of authorization for the individual who signed the bid withdrawal to withdraw the bid on behalf of the Bidder. Except as provided in Subparagraph c, below, bid withdrawals received after the exact hour and date specified for the receipt of Bids shall not be accepted.
 - 2) If a Bidder intends to withdraw its Bid in person, the individual who will withdraw the Bid must arrive in the Bid Opening Room prior to the Bid Opening Time, show a picture identification and provide evidence of his/her authorization to withdraw the Bid on behalf of the Bidder.
- c. Bid Withdrawal After Bid Opening. Bidders are permitted to withdraw erroneous Bids after Bid opening only if the following conditions are met:
- 1) The Bidder submits a written request for withdrawal.
 - 2) The Bidder presents credible evidence with the request that the reason for the lower Bid price was a clerical mistake as opposed to a judgment mistake and was actually due to an unintentional arithmetical error or an unintentional omission of a substantial quantity of work, labor, material, or services made directly in the compilation of the Bid.
 - 3) The request for relief and supporting evidence must be received by the Issuing Office within three (3) business days after Bid opening, but before award of the contract.
 - 4) The Issuing Office shall not permit a Bid withdrawal if the Bid withdrawal would result in the award of the contract on another Bid of the same Bidder, its partner, or a corporation or business venture owned by or in which the bidder has a substantial interest.
 - 5) If a Bidder is permitted to withdraw its Bid, the Bidder cannot supply any material or labor or perform any subcontract or other work agreement for the awarded contractor, without the written approval of the Issuing Office.
- d. Firm Bid. Except as provided above, a Bid may not be modified, withdrawn, or cancelled by any Bidder for a period of sixty (60) days following the time and date designated for Bid opening, unless otherwise specified by the Bidder in its Bid. If the lowest responsible Bidder, as determined by the Issuing Office, withdraws its Bid prior to the expiration of the award period or fails to comply with the requirements set forth in the IFB including but not limited to any requirement to submit performance or payment bonds or insurance certificates within the required time period, the Bidder shall be liable to the Commonwealth for all costs and damages associated with the re-award or re-bid including the difference between the Bidder's price and the actual cost that the Commonwealth pays for the awarded items.

e. Clarification and Additional Information. After the receipt of Bids, the Issuing Office shall have the right to contact Bidders for the purpose of seeking:

- 1) Clarification of the Bid which confirms the Issuing Office's understanding of statements or information in the Bid or;
- 2) Additional information on the items offered; provided the IFB does not require the rejection of the Bid for failure to include such information.

I.12 I-IFB-034.1 Rejection of Bids (Nov 2006)

The Issuing Office reserves the right to reject any and all Bids, to waive technical defects or any informality in Bids, and to accept or reject any part of any Bid if the best interests of the Commonwealth are thereby served.

I.13 Submission-001.1 Representations and Authorizations (February 2017)

By submitting its proposal, each Offeror understands, represents, and acknowledges that:

A. All of the Offeror's information and representations in the proposal are material and important, and the Issuing Office may rely upon the contents of the proposal in awarding the contract(s). The Commonwealth shall treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the Proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.

B. The Offeror has arrived at the price(s) and amounts in its proposal independently and without consultation, communication, or agreement with any other Offeror or potential offeror.

C. The Offeror has not disclosed the price(s), the amount of the proposal, nor the approximate price(s) or amount(s) of its proposal to any other firm or person who is an Offeror or potential offeror for this RFP, and the Offeror shall not disclose any of these items on or before the proposal submission deadline specified in the Calendar of Events of this RFP.

D. The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.

E. The Offeror makes its proposal in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.

F. To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as the Offeror has disclosed in its proposal.

G. To the best of the knowledge of the person signing the proposal for the Offeror and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.

H. The Offeror is not currently under suspension or debarment by the Commonwealth, any other state or the federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.

I. The Offeror has not made, under separate contract with the Issuing Office, any recommendations to the Issuing Office concerning the need for the services described in its proposal or the specifications for the services described in the proposal.

J. Each Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.

K. Until the selected Offeror receives a fully executed and approved written contract from the Issuing Office, there is no legal and valid contract, in law or in equity, and the Offeror shall not begin to perform.

L. The Offeror is not currently engaged, and will not during the duration of the contract engage, in a boycott of a person or an entity based in or doing business with a jurisdiction which the Commonwealth is not prohibited by Congressional statute from engaging in trade or commerce.

PART II - REQUIREMENTS

PART II - REQUIREMENTS

II.1 II-IFB-008.1a Lobbying Certification and Disclosure – Paper Submission. (Oct 2006).

With respect to an award of a federal contract, grant, or cooperative agreement exceeding \$100,000 or an award of a federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000 all recipients must certify that they will not use federal funds for lobbying and must disclose the use of non-federal funds for lobbying by filing required documentation. Offerors must complete and return the Lobbying Certification Form and the Disclosure of Lobbying Activities Form, which are attached to and made a part of this IFB. The completed and signed Lobbying Certification Form and the Disclosure of Lobbying Activities Form should be submitted in the same sealed envelope with the Bid Response. Commonwealth agencies will not contract with outside firms or individuals to perform lobbying services, regardless of the source of funds.

II.2 II-IFB-016.1 Post-Submission Descriptive Literature (Dec 2006)

The Commonwealth may, during its evaluation of the bids, require any bidder to submit cuts, illustrations, drawings, prints, test data sheets, specification sheets and brochures which detail construction features, design, components, materials used, applicable dimensions and any other pertinent information which the Issuing Office may require in order to evaluate the product(s) offered. The required information must be submitted within two (2) business days after notification from the Issuing Office. Failure to submit the required information prior to the expiration of the second business day after notification shall result in the rejection of the bid as non-responsive.

PART III - SELECTION CRITERIA

PART III - SELECTION CRITERIA

III.1 III-IFB-001.1a Mandatory Responsiveness Requirements (Oct 2006)

To be eligible for selection, a bid must be:

- a. Timely received from a Bidder;
- b. Properly signed by the Bidder.

III.2 III-IFB-006.1a Method of Award (February 2012)

It is the intent of the Commonwealth to make a single award of item(s) listed in the IFB to the lowest responsive and responsible bidder. The Commonwealth reserves the right to award by line item if it determines that it is in the best interest of the Commonwealth to do so.

III.3 III-IFB-007.1 Awards (May 2011)

Unless all Bids are rejected, and except as otherwise provided by law, award will be made through the issuance of a contract/purchase order in accordance with the method of award. Unless otherwise specified by the Issuing Office in the IFB form the Commonwealth reserves the right to award by item or on a total Bid basis, whichever is deemed more advantageous to the Commonwealth. In cases of discrepancies in prices, the unit price will be binding unless the unit price is obviously in error and the extended price is obviously correct, in which case the erroneous unit price will be corrected. As a condition for receipt of award of a contract/purchase order, the Bidder must be registered in the Commonwealth of Pennsylvania's Vendor Master file. In order to register, bidders must visit the Pa Supplier Portal at <https://www.pasupplierportal.state.pa.us/> or call the Customer Support Center at 877-435-7363 or 717-346-2676.

III.4 III-IFB-008.1 Tie Bids (Nov 2006)

All tie bids will be broken by the Issuing Office.

III.5 III-IFB-009.1 Prompt Payment Discounts (Nov 2006)

Prompt payment discounts will not be considered in making an award. If prompt payment discounts are offered by any Bidder, however, the Issuing Office will take advantage of such offer.

III.6 III-IFB-010.1 Option for Separate Competitive Bidding Procedure (Nov 2006)

The Commonwealth reserves the right to purchase products or services covered under this Contract through a separate competitive bidding procedure, whenever Commonwealth deems it in the best interest of the Commonwealth. The right will generally be exercised only when a specific need for a large quantity of the product or service exists or when the price offered is significantly lower than the Contract price.

PART IV - WORK STATEMENT

PART IV - WORK STATEMENT

IV.1 IFB-001.1b Statement of Work (Nov 2006)

The Commonwealth is seeking bids to procure the services set forth in the attached document entitled "Statement of Work."

PART V - CONTRACT TERMS and CONDITIONS

PART V - CONTRACT TERMS and CONDITIONS

V.1 CONTRACT-001.1b Contract Terms and Conditions (Nov 30, 2006)

The Contract with the awarded bidder (who shall become the "Contractor") shall include the following terms and conditions:

V.2 CONTRACT-002.1a Term of Contract – Contract (May 2012)

The initial term of the Contract shall be 01 year(s) and 00 month(s).

The term of the Contract shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Contract, subject to the other provisions of the Contract.

The Effective Date shall be: a) the Effective Date printed on the Contract after the Contract has been fully executed by the Commonwealth (signed and approved as required by the Commonwealth contracting procedures) or b) the "Valid from" date printed on the Contract, whichever is later.

V.3 CONTRACT-002.2b Renewal of Contract Term – Mutual (Oct 2013)

The Contract may be mutually renewed for a maximum of 4 additional 1 year term(s), so long as the Commonwealth provides written notice to Contractor of its intention to extend the Contract by letter dated not less than 090 days prior to the expiration of the term of the agreement, or any extension thereof, and the Contractor consents to the renewal not less than 060 days prior to the expiration of the term of the agreement or any extension thereof. The renewal may be exercised as individual or multiple year terms(s). Any renewal will be under the same terms, covenants and conditions. No further document is required to be executed to renew the term of the contract.

V.4 CONTRACT-002.3 Extension of Contract Term (Nov 30 2006)

The Commonwealth reserves the right, upon notice to the Contractor, to extend any single term of the Contract for up to three (3) months upon the same terms and conditions.

V.5 CONTRACT-003.1a Signatures – Contract (July 2015)

The Contract shall not be a legally binding contract until the fully-executed Contract has been sent to the Contractor. No Commonwealth employee has the authority to verbally direct the commencement of any work or delivery of any supply under this Contract prior to the Effective Date. The Contractor hereby waives any claim or cause of action for any service or work performed prior to the Effective Date.

The Contract may be electronically signed by the Commonwealth. The electronically-printed name of the Purchasing Agent represents the signature of that individual who has the authority, on behalf of the Commonwealth, to bind the Commonwealth to the terms of the Contract. If the Contract output form does not have "Fully Executed" at the top of the first page and does not have the name of the Purchasing Agent printed in the appropriate box, the Contract has not been fully executed.

The fully-executed Contract may be sent to the Contractor electronically or through facsimile equipment. The electronic transmission of the Contract shall require acknowledgement of receipt of the transmission by the Contractor. Receipt of the electronic or facsimile transmission of the Contract shall constitute receipt of the fully-executed Contract.

The Commonwealth and the Contractor specifically agree as follows:

- a. No handwritten signature shall be required in order for the Contract to be legally enforceable.
- b. The parties agree that no writing shall be required in order to make the Contract legally binding, notwithstanding

contrary requirements in any law. The parties hereby agree not to contest the validity or enforceability of a genuine Contract or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any genuine Contract or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of a genuine Contract or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Contract or acknowledgement were not in writing or signed by the parties. A Contract or acknowledgment shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such documents.

c. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.

V.6 CONTRACT-004.1a Definitions (Oct 2013)

As used in this Contract, these words shall have the following meanings:

a. Agency: The department, board, commission or other agency of the Commonwealth of Pennsylvania listed as the Purchasing Agency. If a COSTARS entity or external procurement activity has issued an order against this contract, that entity shall also be identified as "Agency".

b. Contracting Officer: The person authorized to administer this Contract for the Commonwealth and to make written determinations with respect to the Contract.

c. Days: Unless specifically indicated otherwise, days mean calendar days.

d. Developed Works or Developed Materials: All documents, sketches, drawings, designs, works, papers, files, reports, computer programs, computer documentation, data, records, software, samples or any other tangible material without limitation authored or prepared by Contractor as the work product covered in the scope of work for the Project.

e. Documentation: All materials required to support and convey information about the services required by this Contract. It includes, but is not necessarily restricted to, written reports and analyses, diagrams, maps, logical and physical designs, system designs, computer programs, flow charts, disks, and/or other machine-readable storage media.

f. Services: All Contractor activity necessary to satisfy the Contract.

V.7 CONTRACT-005.1b Agency Purchase Orders (July 2015)

The Agency may issue Purchase Orders against the Contract. These orders constitute the Contractor's authority to make delivery. All Purchase Orders received by the Contractor up to and including the expiration date of the Contract are acceptable and must be performed in accordance with the Contract. Each Purchase Order will be deemed to incorporate the terms and conditions set forth in the Contract.

Purchase Orders may be electronically signed by the Agency. The electronically-printed name of the purchaser represents the signature of that individual who has the authority, on behalf of the Commonwealth, to authorize the Contractor to proceed.

Purchase Orders may be issued electronically or through facsimile equipment. The electronic transmission of a purchase order shall require acknowledgement of receipt of the transmission by the Contractor. Receipt of the electronic or facsimile transmission of the Purchase Order shall constitute receipt of an order. Orders received by the Contractor after 4:00 p.m. will be considered received the following business day.

The Commonwealth and the Contractor specifically agree as follows:

a. No handwritten signature shall be required in order for the Contract or Purchase Order to be legally enforceable.

b. The parties agree that no writing shall be required in order to make the Purchase Order legally binding. The

parties hereby agree not to contest the validity or enforceability of a Purchase Order or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any Purchase Order or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Purchase Orders or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Purchase Order or acknowledgement were not in writing or signed by the parties. A Purchase Order or acknowledgment shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such documents.

c. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.

Purchase Orders under ten thousand dollars (\$10,000) in total amount may also be made in person or by telephone using a Commonwealth Purchasing Card. When an order is placed by telephone, the Commonwealth agency shall provide the agency name, employee name, credit card number, and expiration date of the card. Contractors agree to accept payment through the use of the Commonwealth Purchasing Card.

V.8 CONTRACT-006.1 Independent Prime Contractor (Oct 2006)

In performing its obligations under the Contract, the Contractor will act as an independent contractor and not as an employee or agent of the Commonwealth. The Contractor will be responsible for all services in this Contract whether or not Contractor provides them directly. Further, the Contractor is the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from the Contract.

V.9 CONTRACT-007.01b Delivery of Services (Nov 30 2006)

The Contractor shall proceed with all due diligence in the performance of the services with qualified personnel, in accordance with the completion criteria set forth in the Contract.

V.10 CONTRACT-007.02 Estimated Quantities (Nov 30 2006)

It shall be understood and agreed that any quantities listed in the Contract are estimated only and may be increased or decreased in accordance with the actual requirements of the Commonwealth and that the Commonwealth in accepting any bid or portion thereof, contracts only and agrees to purchase only the materials and services in such quantities as represent the actual requirements of the Commonwealth. The Commonwealth reserves the right to purchase materials and services covered under the Contract through a separate competitive procurement procedure, whenever Commonwealth deems it to be in its best interest.

V.11 CONTRACT-008.1a Warranty. (Oct 2006)

The Contractor warrants that all items furnished and all services performed by the Contractor, its agents and subcontractors shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the Contract, all items are warranted for a period of one year following delivery by the Contractor and acceptance by the Commonwealth. The Contractor shall repair, replace or otherwise correct any problem with the delivered item. When an item is replaced, it shall be replaced with an item of equivalent or superior quality without any additional cost to the Commonwealth.

V.12 CONTRACT-009.1c Patent, Copyright, and Trademark Indemnity (Oct 2013)

The Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report, document or other material provided to the Commonwealth under the

contract.

The Contractor shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract.

This is upon condition that the Commonwealth shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same.

As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action.

If information and assistance are furnished by the Commonwealth at the Contractor's written request, it shall be at the Contractor's expense, but the responsibility for such expense shall be only that within the Contractor's written authorization.

The Contractor shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or the Commonwealth may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Contract.

If any of the products provided by the Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, the Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing.

If the Contractor is unable to do any of the preceding, the Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Contractor without its written consent.

V.13 CONTRACT-009.1d Ownership Rights (Oct 2006)

The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Contract.

V.14 CONTRACT-010.1a Acceptance (Oct 2006)

No item(s) received by the Commonwealth shall be deemed accepted until the Commonwealth has had a reasonable opportunity to inspect the item(s). Any item(s) which is discovered to be defective or fails to conform to the specifications may be rejected upon initial inspection or at any later time if the defects contained in the item(s) or the noncompliance with the specifications were not reasonably ascertainable upon the initial inspection. It shall thereupon become the duty of the Contractor to remove rejected item(s) from the premises without expense to the Commonwealth within fifteen (15) days after notification. Rejected item(s) left longer than fifteen (15) days will be regarded as abandoned, and the Commonwealth shall have the right to dispose of them as its own property and shall retain that portion of the proceeds of any sale which represents the Commonwealth's costs and expenses in regard to the storage and sale of the item(s). Upon notice of rejection, the Contractor shall immediately replace all such rejected item(s) with others conforming to the specifications and which are not defective. If the Contractor fails, neglects or refuses to do so, the Commonwealth shall then have the right to procure a corresponding quantity of such item(s), and deduct from any monies due or that may thereafter become due to the Contractor, the difference between the price stated in the Contract and the cost thereof to the Commonwealth.

V.15 CONTRACT-011.1a Compliance With Law (Oct 2006)

The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Contract.

V.16 CONTRACT-013.1 Environmental Provisions (Oct 2006)

In the performance of the Contract, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations, including, but not limited to: the Clean Streams Law Act of June 22, 1937 (P.L. 1987, No. 394), as amended 35 P.S. Section 691.601 et seq.; the Pennsylvania Solid Waste Management Act, Act of July 7, 1980 (P.L. 380, No. 97), as amended, 35 P.S. Section 6018.101 et seq. ; and the Dam Safety and Encroachment Act, Act of November 26, 1978 (P.L. 1375, No. 325), as amended , 32 P.S. Section 693.1.

V.17 CONTRACT-014.1 Post-Consumer Recycled Content (June 2016)

Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the Contract must meet the minimum percentage levels for total recycled content as specified by the Environmental Protection Agency in its Comprehensive Procurement Guidelines, which can be found at <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program> .

V.18 CONTRACT-014.3 Recycled Content Enforcement (February 2012)

The Contractor may be required, after delivery of the Contract item(s), to provide the Commonwealth with documentary evidence that the item(s) was in fact produced with the required minimum percentage of post-consumer and recovered material content.

V.19 CONTRACT-015.1 Compensation (Oct 2006)

The Contractor shall be required to furnish the awarded item(s) at the price(s) quoted in the Purchase Order. All item(s) shall be delivered within the time period(s) specified in the Purchase Order. The Contractor shall be compensated only for item(s) that are delivered and accepted by the Commonwealth.

V.20 CONTRACT-015.1A Compensation/Expenses (Oct 2013)

The Contractor shall be required to perform the specified services at the price(s) quoted in the Contract. All services shall be performed within the time period(s) specified in the Contract. The Contractor shall be compensated only for work performed to the satisfaction of the Commonwealth. The Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Contract.

V.21 CONTRACT-015.2 Billing Requirements (February 2012)

Unless the Contractor has been authorized by the Commonwealth for Evaluated Receipt Settlement or Vendor Self-Invoicing , the Contractor shall include in all of its invoices the following minimum information:

- Vendor name and "Remit to" address, including SAP Vendor number;
- Bank routing information, if ACH;
- SAP Purchase Order number;
- Delivery Address, including name of Commonwealth agency;
- Description of the supplies/services delivered in accordance with SAP Purchase Order (include purchase

- order line number if possible);
- Quantity provided;
- Unit price;
- Price extension;
- Total price; and
- Delivery date of supplies or services.

If an invoice does not contain the minimum information set forth in this paragraph, the Commonwealth may return the invoice as improper. If the Commonwealth returns an invoice as improper, the time for processing a payment will be suspended until the Commonwealth receives a correct invoice. The Contractor may not receive payment until the Commonwealth has received a correct invoice.

Contractors are required to establish separate billing accounts with each using agency and invoice them directly. Each invoice shall be itemized with adequate detail and match the line item on the Purchase Order. In no instance shall any payment be made for services to the Contractor that are not in accordance with the prices on the Purchase Order, the Contract, updated price lists or any discounts negotiated by the purchasing agency.

V.22 CONTRACT-016.1 Payment (Oct 2006)

- a. The Commonwealth shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Contract; (b) thirty (30) days after a proper invoice actually is received at the "Bill To" address if a date on which payment is due is not specified in the Contract (a "proper" invoice is not received until the Commonwealth accepts the service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in the Contract. If any payment is not made within fifteen (15) days after the required payment date, the Commonwealth may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Contractor as acceptance of the service performed by the Contractor. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any contract with the Commonwealth.
- b. The Commonwealth shall have the option of using the Commonwealth purchasing card to make purchases under the Contract or Purchase Order. The Commonwealth's purchasing card is similar to a credit card in that there will be a small fee which the Contractor will be required to pay and the Contractor will receive payment directly from the card issuer rather than the Commonwealth. Any and all fees related to this type of payment are the responsibility of the Contractor. In no case will the Commonwealth allow increases in prices to offset credit card fees paid by the Contractor or any other charges incurred by the Contractor, unless specifically stated in the terms of the Contract or Purchase Order.

V.23 CONTRACT-016.2 ACH Payments (Aug 2007)

- a. The Commonwealth will make contract payments through the Automated Clearing House (ACH). Within 10 days of award of the contract or purchase order, the contractor must submit or must have already submitted their ACH information within their user profile in the Commonwealth's procurement system (SRM).
- b. The contractor must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the contractor to properly apply the state agency's payment to the invoice submitted.
- c. It is the responsibility of the contractor to ensure that the ACH information contained in SRM is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

V.24 CONTRACT-017.1 Taxes (Dec 5 2006)

The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 23-23740001-K. With the exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction contract.

V.25 CONTRACT-018.1 Assignment of Antitrust Claims (Oct 2006)

The Contractor and the Commonwealth recognize that in actual economic practice, overcharges by the Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Contract, and intending to be legally bound, the Contractor assigns to the Commonwealth all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Contract.

V.26 CONTRACT-019.1 Hold Harmless Provision (Nov 30 2006)

- a. The Contractor shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all third party claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents under this Contract, provided the Commonwealth gives Contractor prompt notice of any such claim of which it learns. Pursuant to the Commonwealth Attorneys Act (71 P.S. Section 732-101, et seq.), the Office of Attorney General (OAG) has the sole authority to represent the Commonwealth in actions brought against the Commonwealth. The OAG may, however, in its sole discretion and under such terms as it deems appropriate, delegate its right of defense. If OAG delegates the defense to the Contractor, the Commonwealth will cooperate with all reasonable requests of Contractor made in the defense of such suits.
- b. Notwithstanding the above, neither party shall enter into any settlement without the other party's written consent, which shall not be unreasonably withheld. The Commonwealth may, in its sole discretion, allow the Contractor to control the defense and any related settlement negotiations.

V.27 CONTRACT-020.1 Audit Provisions (Oct 2006)

The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Contractor to the extent that the books, documents and records relate to costs or pricing data for the Contract. The Contractor agrees to maintain records which will support the prices charged and costs incurred for the Contract. The Contractor shall preserve books, documents, and records that relate to costs or pricing data for the Contract for a period of three (3) years from date of final payment. The Contractor shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

V.28 CONTRACT-021.1 Default (Oct 2013)

- a. The Commonwealth may, subject to the Force Majeure provisions of this Contract, and in addition to its other rights under the Contract, declare the Contractor in default by written notice thereof to the Contractor, and terminate (as provided in the Termination Provisions of this Contract) the whole or any part of this Contract or any Purchase Order for any of the following reasons:

- 1) Failure to begin work within the time specified in the Contract or Purchase Order or as otherwise specified;
- 2) Failure to perform the work with sufficient labor, equipment, or material to ensure the completion of the specified work in accordance with the Contract or Purchase Order terms;
- 3) Unsatisfactory performance of the work;
- 4) Failure to deliver the awarded item(s) within the time specified in the Contract or Purchase Order or as otherwise specified;
- 5) Improper delivery;
- 6) Failure to provide an item(s) which is in conformance with the specifications referenced in the Contract or Purchase Order;
- 7) Delivery of a defective item;
- 8) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
- 9) Discontinuance of work without approval;
- 10) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
- 11) Insolvency or bankruptcy;
- 12) Assignment made for the benefit of creditors;
- 13) Failure or refusal within 10 days after written notice by the Contracting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
- 14) Failure to protect, to repair, or to make good any damage or injury to property;
- 15) Breach of any provision of the Contract;
- 16) Failure to comply with representations made in the Contractor's bid/proposal; or
- 17) Failure to comply with applicable industry standards, customs, and practice.

b. In the event that the Commonwealth terminates this Contract or any Purchase Order in whole or in part as provided in Subparagraph a. above, the Commonwealth may procure, upon such terms and in such manner as it determines, items similar or identical to those so terminated, and the Contractor shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical items included within the terminated part of the Contract or Purchase Order.

c. If the Contract or a Purchase Order is terminated as provided in Subparagraph a. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Contractor to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Contracting Officer, such partially completed items, including, where applicable, reports, working papers and other documentation, as the Contractor has specifically produced or specifically acquired for the performance of such part of the Contract or Purchase Order as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Contract price. Except as provided below, payment for partially completed items including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Contractor and Contracting Officer. The Commonwealth may withhold from amounts otherwise due the Contractor for such completed or partially completed works, such sum as the Contracting Officer determines to be necessary to protect the Commonwealth against loss.

d. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in

addition to any other rights and remedies provided by law or under this Contract.

e. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.

f. Following exhaustion of the Contractor's administrative remedies as set forth in the Contract Controversies Provision of the Contract, the Contractor's exclusive remedy shall be to seek damages in the Board of Claims.

V.29 CONTRACT-022.1 Force Majeure (Oct 2006)

Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

The Contractor shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Contractor becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the contract is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Contractor shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect to cancel the Contract, cancel the Purchase Order, or to extend the time for performance as reasonably necessary to compensate for the Contractor's delay.

In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Contractor, may suspend all or a portion of the Contract or Purchase Order.

V.30 CONTRACT-023.1a Termination Provisions (Oct 2013)

The Commonwealth has the right to terminate this Contract or any Purchase Order for any of the following reasons. Termination shall be effective upon written notice to the Contractor.

a. **TERMINATION FOR CONVENIENCE:** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for its convenience if the Commonwealth determines termination to be in its best interest. The Contractor shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Contractor be entitled to recover loss of profits.

b. **NON-APPROPRIATION:** The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Contract or a Purchase Order. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid from any appropriations available for that purpose.

c. **TERMINATION FOR CAUSE:** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for Contractor default under the Default Clause upon written notice to the Contractor. The Commonwealth shall also have the right, upon written notice to the Contractor, to terminate the Contract or a Purchase Order for other cause as specified in the Contract or by law. If it is later determined that the Commonwealth erred in terminating the Contract or a Purchase Order for cause, then, at the Commonwealth's discretion, the Contract or Purchase Order shall be deemed to have been terminated for convenience under the Subparagraph a.

V.31 CONTRACT-024.1 Contract Controversies (Oct 2011)

a. In the event of a controversy or claim arising from the Contract, the Contractor must, within six months after the cause of action accrues, file a written claim with the contracting officer for a determination. The claim shall state all grounds upon which the Contractor asserts a controversy exists. If the Contractor fails to file a claim or files an untimely claim, the Contractor is deemed to have waived its right to assert a claim in any forum. At the time the claim is filed, or within sixty (60) days thereafter, either party may request mediation through the Commonwealth Office of General Counsel Dispute Resolution Program.

b. If the Contractor or the contracting officer requests mediation and the other party agrees, the contracting officer shall promptly make arrangements for mediation. Mediation shall be scheduled so as to not delay the issuance of the final determination beyond the required 120 days after receipt of the claim if mediation is unsuccessful. If mediation is not agreed to or if resolution is not reached through mediation, the contracting officer shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of the contracting officer and the Contractor. The contracting officer shall send his/her written determination to the Contractor. If the contracting officer fails to issue a final determination within the 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The contracting officer's determination shall be the final order of the purchasing agency.

c. Within fifteen (15) days of the mailing date of the determination denying a claim or within 135 days of filing a claim if, no extension is agreed to by the parties, whichever occurs first, the Contractor may file a statement of claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Contractor shall proceed diligently with the performance of the Contract in a manner consistent with the determination of the contracting officer and the Commonwealth shall compensate the Contractor pursuant to the terms of the Contract.

V.32 CONTRACT-025.1 Assignability and Subcontracting (Oct 2013)

a. Subject to the terms and conditions of this paragraph, this Contract shall be binding upon the parties and their respective successors and assigns.

b. The Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.

c. The Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.

d. Notwithstanding the foregoing, the Contractor may, without the consent of the Contracting Officer, assign its rights to payment to be received under the Contract, provided that the Contractor provides written notice of such assignment to the Contracting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Contract.

e. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.

f. Any assignment consented to by the Contracting Officer shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Contract and to assume the duties, obligations, and responsibilities being assigned.

g. A change of name by the Contractor, following which the Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Contractor shall give the Contracting Officer written notice of any such change of name.

V.33 CONTRACT-026.1 Other Contractors (Oct 2006)

The Commonwealth may undertake or award other contracts for additional or related work, and the Contractor shall fully cooperate with other contractors and Commonwealth employees, and coordinate its work with such additional work as may be required. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Commonwealth employees. This paragraph shall be included in the Contracts of all contractors with which this Contractor will be required to cooperate. The Commonwealth shall equitably enforce this paragraph as to all contractors to prevent the imposition of unreasonable burdens on any contractor.

V.34 CONTRACT-027.1 Nondiscrimination/Sexual Harassment Clause (March 2015)

The Contractor agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, each subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not discriminate in violation of the *Pennsylvania Human Relations Act* (PHRA) and applicable federal laws against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate in violation of the PHRA and applicable federal laws against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract.
3. The Contractor and each subcontractor shall establish and maintain a written nondiscrimination and sexual harassment policy and shall inform their employees of the policy. The policy must contain a provision that sexual harassment will not be tolerated and employees who practice it will be disciplined. Posting this Nondiscrimination/Sexual Harassment Clause conspicuously in easily-accessible and well-lighted places customarily frequented by employees and at or near where the contract services are performed shall satisfy this requirement.
4. The Contractor and each subcontractor shall not discriminate in violation of PHRA and applicable federal laws against any subcontractor or supplier who is qualified to perform the work to which the contract relates.
5. The Contractor and each subcontractor represents that it is presently in compliance with and will maintain compliance with all applicable federal, state, and local laws and regulations relating to nondiscrimination and sexual harassment. The Contractor and each subcontractor further represents that it has filed a Standard Form 100 Employer Information Report ("EEO-1") with the U.S. Equal Employment Opportunity Commission ("EEOC") and shall file an annual EEO-1 report with the EEOC as required for employers subject to *Title VII* of the *Civil Rights Act of 1964*, as amended, that have 100 or more employees and employers that have federal government contracts or first-tier subcontracts and have 50 or more employees. The Contractor and each subcontractor shall, upon request and within the time periods requested by the Commonwealth, furnish all necessary employment documents and records, including EEO-1 reports, and permit access to their books, records, and accounts by the contracting agency and the Bureau of Small Business Opportunities (BSBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause.
6. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.
7. The Contractor's and each subcontractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor and each subcontractor shall have an obligation to inform the Commonwealth if, at any time during the term of the contract, it becomes aware of any actions or occurrences that would result in violation of these provisions.
8. The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract

may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

V.35 CONTRACT-028.1 Contractor Integrity Provisions (January 2015)

It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth contracting and procurement process.

1. DEFINITIONS. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Section:

a. "Affiliate" means two or more entities where (a) a parent entity owns more than fifty percent of the voting stock of each of the entities; or (b) a common shareholder or group of shareholders owns more than fifty percent of the voting stock of each of the entities; or (c) the entities have a common proprietor or general partner.

b. "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of the execution of this contract.

c. "Contractor" means the individual or entity, that has entered into this contract with the Commonwealth.

d. "Contractor Related Parties" means any affiliates of the Contractor and the Contractor's executive officers, Pennsylvania officers and directors, or owners of 5 percent or more interest in the Contractor.

e. "Financial Interest" means either:

(1) Ownership of more than a five percent interest in any business; or

(2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.

f. "Gratuity" means tendering, giving, or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the *Governor's Code of Conduct, Executive Order 1980-18, the 4 Pa. Code §7.153(b)*, shall apply.

g. "Non-bid Basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.

2. In furtherance of this policy, Contractor agrees to the following:

a. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting or procurement with the Commonwealth.

b. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to the Contractor activity with the Commonwealth and Commonwealth employees and which is made known to all Contractor employees. Posting these Contractor Integrity Provisions conspicuously in easily-accessible and well-lighted places customarily frequented by employees and at or near where the contract services are performed shall satisfy this requirement.

c. Contractor, its affiliates, agents, employees and anyone in privity with Contractor shall not accept, agree to give, offer, confer or agree to confer or promise to confer, directly or indirectly, any gratuity or pecuniary benefit to any person, or to influence or attempt to influence any person in violation of any federal or state law, regulation, executive order of the Governor of Pennsylvania, statement of policy, management directive or any other published standard of the Commonwealth in connection with performance of work under this contract, except as provided in

this contract.

d. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor or material under this contract, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than the Contractor's submission of the contract signed by Contractor.

e. Contractor certifies to the best of its knowledge and belief that within the last five (5) years Contractor or Contractor Related Parties have not:

- (1)** been indicted or convicted of a crime involving moral turpitude or business honesty or integrity in any jurisdiction;
- (2)** been suspended, debarred or otherwise disqualified from entering into any contract with any governmental agency;
- (3)** had any business license or professional license suspended or revoked;
- (4)** had any sanction or finding of fact imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust; and
- (5)** been, and is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigative agency and/or civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

If Contractor cannot so certify to the above, then it must submit along with its bid, proposal or contract a written explanation of why such certification cannot be made and the Commonwealth will determine whether a contract may be entered into with the Contractor. The Contractor's obligation pursuant to this certification is ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to immediately notify the Commonwealth in writing if at any time during the term of the contract it becomes aware of any event which would cause the Contractor's certification or explanation to change. Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause if it learns that any of the certifications made herein are currently false due to intervening factual circumstances or were false or should have been known to be false when entering into the contract.

f. Contractor shall comply with the requirements of the *Lobbying Disclosure Act (65 Pa.C.S. §13A01 et seq.)* regardless of the method of award. If this contract was awarded on a Non-bid Basis, Contractor must also comply with the requirements of the *Section 1641 of the Pennsylvania Election Code (25 P.S. §3260a)*.

g. When contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or these Contractor Integrity Provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or the Office of the State Inspector General in writing.

h. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that is has not violated any of these Contractor Integrity Provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract, to include any extensions thereof. Contractor shall immediately notify the Commonwealth in writing of any actions for occurrences that would result in a violation of these Contractor Integrity Provisions. Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of the State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the Contractor. Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.

i. Contractor shall cooperate with the Office of the State Inspector General in its investigation of any alleged Commonwealth agency or employee breach of ethical standards and any alleged Contractor non-compliance with these Contractor Integrity Provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of an Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Office of the State Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refer to or concern this contract. Contractor shall incorporate this paragraph in any agreement, contract or subcontract it enters into in the course of the performance of this contract/agreement solely for the purpose of obtaining subcontractor compliance with this provision. The incorporation of this provision in a subcontract shall not create privity of contract between the Commonwealth and any such subcontractor, and no third party beneficiaries shall be created thereby.

j. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these Provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation or otherwise.

V.36 CONTRACT-029.1 Contractor Responsibility Provisions (Nov 2010)

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term contractor includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

1. The Contractor certifies, in writing, for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid/Contract, a written explanation of why such certification cannot be made.

2. The Contractor also certifies, in writing, that as of the date of its execution of this Bid/Contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.

3. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Contractor, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.

4. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.

5. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel

and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.

6. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the Internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No: (717) 783-6472
FAX No: (717) 787-9138

V.37 CONTRACT-030.1 Americans with Disabilities Act (Oct 2006)

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. Section 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. Section 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.
- b. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of Subparagraph a. above.

V.38 CONTRACT-032.1 Covenant Against Contingent Fees (Oct 2006)

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Contract without liability or in its discretion to deduct from the Contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

V.39 CONTRACT-033.1 Applicable Law (Oct 2006)

This Contract shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Contractor consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

V.40 CONTRACT- 034.1b Integration (Nov 30 2006)

This Contract, including the Invitation for Bids, the Contractor's bid, all referenced documents, and any Purchase Order constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Contractor has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Contract, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Contract. No modifications, alterations, changes, or waiver to the Contract or any of its terms shall be valid or binding unless

accomplished by a written amendment signed by both parties.

V.41 CONTRACT-034.2b Order of Precedence - IFB (Dec 6 2006)

In the event there is a conflict among the documents comprising this Contract, the Commonwealth and the Contractor agree on the following order of precedence: the Contract; the IFB; and the Contractor's Bid in Response to the IFB.

V.42 CONTRACT-034.3 Controlling Terms and Conditions (Aug 2011)

The terms and conditions of this Contract shall be the exclusive terms of agreement between the Contractor and the Commonwealth. All quotations requested and received from the Contractor are for obtaining firm pricing only. Other terms and conditions or additional terms and conditions included or referenced in the Contractor's quotations, invoices, business forms, or other documentation shall not become part of the parties' agreement and shall be disregarded by the parties, unenforceable by the Contractor and not binding on the Commonwealth.

V.43 CONTRACT-035.1a Changes (Oct 2006)

The Commonwealth reserves the right to make changes at any time during the term of the Contract or any renewals or extensions thereof: 1) to increase or decrease the quantities resulting from variations between any estimated quantities in the Contract and actual quantities; 2) to make changes to the services within the scope of the Contract; 3) to notify the Contractor that the Commonwealth is exercising any Contract renewal or extension option; or 4) to modify the time of performance that does not alter the scope of the Contract to extend the completion date beyond the Expiration Date of the Contract or any renewals or extensions thereof. Any such change shall be made by the Contracting Officer by notifying the Contractor in writing. The change shall be effective as of the date of the change, unless the notification of change specifies a later effective date. Such increases, decreases, changes, or modifications will not invalidate the Contract, nor, if performance security is being furnished in conjunction with the Contract, release the security obligation. The Contractor agrees to provide the service in accordance with the change order. Any dispute by the Contractor in regard to the performance required by any notification of change shall be handled through Contract Controversies Provision.

V.44 CONTRACT-036.1 Background Checks (February 2016)

a. The Contractor must, at its expense, arrange for a background check for each of its employees, as well as the employees of any of its subcontractors, who will have access to Commonwealth facilities, either through on-site access or through remote access. Background checks are to be conducted via the Request for Criminal Record Check form and procedure found at <http://www.psp.state.pa.us/psplib/psp/sp4-164.pdf>. The background check must be conducted prior to initial access and on an annual basis thereafter.

b. Before the Commonwealth will permit access to the Contractor, the Contractor must provide written confirmation that the background checks have been conducted. If, at any time, it is discovered that a Contractor employee has a criminal record that includes a felony or misdemeanor involving terroristic behavior, violence, use of a lethal weapon, or breach of trust/fiduciary responsibility or which raises concerns about building, system or personal security or is otherwise job-related, the Contractor shall not assign that employee to any Commonwealth facilities, shall remove any access privileges already given to the employee and shall not permit that employee remote access unless the Commonwealth consents to the access, in writing, prior to the access. The Commonwealth may withhold its consent in its sole discretion. Failure of the Contractor to comply with the terms of this Section on more than one occasion or Contractor's failure to appropriately address any single failure to the satisfaction of the Commonwealth may result in the Contractor being deemed in default of its Contract.

c. The Commonwealth specifically reserves the right of the Commonwealth to conduct background checks over and above that described herein.

d. Access to certain Capitol Complex buildings and other state office buildings is controlled by means of card

readers and secured visitors' entrances. Commonwealth contracted personnel who have regular and routine business in Commonwealth worksites may be issued a photo identification or access badge subject to the requirements of the contracting agency and DGS set forth in [Enclosure 3 of Commonwealth Management Directive 625.10 \(Amended\) Card Reader and Emergency Response Access to Certain Capitol Complex Buildings and Other State Office Buildings](#). The requirements, policy and procedures include a processing fee payable by the Contractor for contracted personnel photo identification or access badges.

V.45 CONTRACT-037.1a Confidentiality (Oct 2013)

(a) The Contractor agrees to protect the confidentiality of the Commonwealth's confidential information. The Commonwealth agrees to protect the confidentiality of Contractor's confidential information. In order for information to be deemed confidential, the party claiming confidentiality must designate the information as "confidential" in such a way as to give notice to the other party (notice may be communicated by describing the information, and the specifications around its use or disclosure, in the SOW). Neither party may assert that information owned by the other party is such party's confidential information. The parties agree that such confidential information shall not be copied, in whole or in part, or used or disclosed except when essential for authorized activities under this Contract and, in the case of disclosure, where the recipient of the confidential information has agreed to be bound by confidentiality requirements no less restrictive than those set forth herein. Each copy of such confidential information shall be marked by the party making the copy with any notices appearing in the original. Upon termination or cancellation of this Contract or any license granted hereunder, the receiving party will return to the disclosing party all copies of the confidential information in the receiving party's possession, other than one copy, which may be maintained for archival purposes only, and which will remain subject to this Contract's security, privacy, data retention/destruction and confidentiality provisions (all of which shall survive the expiration of this Contract). Both parties agree that a material breach of these requirements may, after failure to cure within the time frame specified in this Contract, and at the discretion of the non-breaching party, result in termination for default pursuant to the DEFAULT provision of this Contract, in addition to other remedies available to the non-breaching party.

(b) Insofar as information is not otherwise protected by law or regulation, the obligations stated in this Section do not apply to information:

- (1) already known to the recipient at the time of disclosure other than through the contractual relationship;
- (2) independently generated by the recipient and not derived by the information supplied by the disclosing party.
- (3) known or available to the public, except where such knowledge or availability is the result of unauthorized disclosure by the recipient of the proprietary information;
- (4) disclosed to the recipient without a similar restriction by a third party who has the right to make such disclosure; or
- (5) required to be disclosed by law, regulation, court order, or other legal process.

There shall be no restriction with respect to the use or disclosure of any ideas, concepts, know-how, or data processing techniques developed alone or jointly with the Commonwealth in connection with services provided to the Commonwealth under this Contract.

(c) The Contractor shall use the following process when submitting information to the Commonwealth it believes to be confidential and/or proprietary information or trade secrets:

- (1) Prepare an un-redacted version of the appropriate document, and
- (2) Prepare a redacted version of the document that redacts the information that is asserted to be confidential or proprietary information or a trade secret, and
- (3) Prepare a signed written statement that states:
 - (i) the attached document contains confidential or proprietary information or trade secrets;

(ii) the Contractor is submitting the document in both redacted and un-redacted format in accordance with 65 P.S. § 67.707(b); and

(iii) the Contractor is requesting that the document be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests.

(4) Submit the two documents along with the signed written statement to the Commonwealth.

V.46 CONTRACT-051.1 Notice (Dec 2006)

Any written notice to any party under this Contract shall be deemed sufficient if delivered personally, or by facsimile, telecopy, electronic or digital transmission (provided such delivery is confirmed), or by a recognized overnight courier service (e.g., DHL, Federal Express, etc.) with confirmed receipt, or by certified or registered United States mail, postage prepaid, return receipt requested, and sent to following:

- a. If to the Contractor: the Contractor's address as recorded in the Commonwealth's Supplier Registration system.
- b. If to the Commonwealth: the address of the Issuing Office as set forth on the Contract.

V.47 CONTRACT-052.1 Right to Know Law (Feb 2010)

a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the Commonwealth" shall refer to the contracting Commonwealth agency.

b. If the Commonwealth needs the Contractor's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Contractor using the legal contact information provided in this Contract. The Contractor, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

c. Upon written notification from the Commonwealth that it requires the Contractor's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Contractor's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Contractor shall:

1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Contractor's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and
2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.

d. If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Contractor considers exempt from production under the RTKL, the Contractor must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL.

e. The Commonwealth will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Contractor shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.

f. If the Contractor fails to provide the Requested Information within the time period required by these provisions, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.

g. The Commonwealth will reimburse the Contractor for any costs associated with complying with these provisions

only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

h. The Contractor may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Contractor shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

i. The Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

V.48 CONTRACT-053.1 Enhanced Minimum Wage Provisions (July 2016)

1. Enhanced Minimum Wage. Contractor/Lessor agrees to pay no less than \$10.15 per hour to its employees for all the hours worked directly performing the services called for in this Contract/Lease, and for an employee's hours performing ancillary services necessary for the performance of the contracted services or lease when such employee spends at least twenty per cent (20%) of their time performing ancillary services in a given work week.

2. Adjustment. Beginning January 1, 2017, and annually thereafter, Contractor/Lessor shall pay its employees described in Paragraph 1. above an amount that is no less than the amount previously in effect; increased from such amount by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (United States city average, all items, not seasonally adjusted), or its successor publication as determined by the United States Bureau of Labor Statistics; and rounded to the nearest multiple of \$0.05. The applicable adjusted amount shall be published in the Pennsylvania Bulletin by March 1 of each year to be effective the following July 1.

3. Exceptions. These Enhanced Minimum Wage Provisions shall not apply to employees:

- a. exempt from the minimum wage under the Minimum Wage Act of 1968;
- b. covered by a collective bargaining agreement;
- c. required to be paid a higher wage under another state or federal law governing the services, including the Prevailing Wage Act and Davis-Bacon Act; or
- d. required to be paid a higher wage under any state or local policy or ordinance.

4. Notice. Contractor/Lessor shall post these Enhanced Minimum Wage Provisions for the entire period of the contract conspicuously in easily-accessible and well-lighted places customarily frequented by employees at or near where the contracted services are performed.

5. Records. Contractor/Lessor must maintain and, upon request and within the time periods requested by the Commonwealth, furnish all employment and wage records necessary to document compliance with these Enhanced Minimum Wage Provisions.

6. Sanctions. Failure to comply with these Enhanced Minimum Wage Provisions may result in the imposition of sanctions, which may include, but shall not be limited to, termination of the contract or lease, nonpayment, debarment or referral to the Office of General Counsel for appropriate civil or criminal referral.

7. Subcontractors. Contractor/Lessor shall include the provisions of these Enhanced Minimum Wage Provisions in every subcontract so that these provisions will be binding upon each subcontractor.

**APPENDIX B
COST MATRIX**

SEE ATTACHED SPREADSHEET

Retailers' Information

STATE and LOCAL SALES, USE and HOTEL OCCUPANCY TAX

PUBLIC TRANSPORTATION ASSISTANCE FUND TAXES and FEES

VEHICLE RENTAL TAX

This booklet is for informational purposes only and it is not intended to be binding on the Department of Revenue if the information contradicts statute, regulation, case law or binding letter rulings.



pennsylvania

DEPARTMENT OF REVENUE

www.revenue.state.pa.us

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CUSTOMER SERVICE & TAXPAYER ASSISTANCE

- **General Information**

Online Customer Service Center www.revenue.state.pa.us
 Taxpayer Service and Information Center 717-787-1064
 Automated toll-free line 1-888-PATAXES (728-2937)
 Service for Taxpayers with Special Hearing
 and/or Speaking Needs (TT only) 1-800-447-3020
 For district office locations and information, please visit our website.

- **Electronic Filing**

e-Business Unit 717-783-6277
 Internet Filing – e-TIDES www.etides.state.pa.us
 Telephone Filing – TeleFile 1-800-748-8299

- **Forms Ordering**

All forms mentioned in this booklet are available on the department’s website for download at www.revenue.state.pa.us or from our 24-hour Forms Ordering Message Service by calling 1-800-362-2050.

Taxpayers may also request tax forms by writing to:

PA Department of Revenue
 Tax Forms Service Unit
 711 Gibson Blvd.
 Harrisburg, PA 17104-3200

Rules and Regulations www.pacode.com

CATEGORIES

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1. PERSONS REQUIRED TO BE LICENSED

a. Sales, Use and Hotel Occupancy Taxes

(61 Pa. Code § 34.1)

Every person, association, fiduciary, partnership, corporation, or other entity making taxable sales of tangible personal property or services must obtain a Sales Tax license. Sales include leasing or renting of tangible personal property and the rental of hotel or motel rooms. Failure to be licensed may subject the seller to a fine. Entities which make taxable purchases but did not pay sales tax upon purchase should report use tax directly to the department on the PA-1, Use Tax Return.

b. Public Transportation Assistance Fund Taxes and Fees (PTA) (61 Pa. Code § 47.19)

Every person, association, fiduciary, partnership, corporation, or other entity selling new tires for highway use, or renting, or leasing of motor vehicles must obtain a separate license. Failure to do so may subject the seller to a fine. Entities leasing motor vehicles from nonregistered vendors should report tax directly to the department.

2. HOW TO OBTAIN A LICENSE

Prior to making taxable sales, rentals or leases, one must apply for a license with the PA Department of Revenue. Registration for Sales, Use and Hotel Occupancy Tax, Public Transportation Assistance Fund Taxes and Fees and Vehicle Rental Tax can be completed by registering online using the PA Open for Business website at www.PABizOnline.com or by completing a paper PA Enterprise Registration Form (PA-100).

If more than one place of business is maintained in Pennsylvania, a copy of the license must be displayed at each location. All applicants must have filed all required PA tax returns and paid all PA taxes or the license will not be issued or renewed. Sales Tax licenses must be renewed every five years.

3. COLLECTION OF TAX (72 P.S. § 7237)

Taxes and fees must be collected at the time of sale, unless the sale is on credit. Taxes and fees on credit sales must be remitted within 30 days of the date of sale. A seller is liable for reporting and remitting taxes and fees with the tax return covering the period in which either a taxable sale was made, or the tax or fee should have been collected. The seller may be assessed for failure to collect taxes and fees, plus charges for appropriate interest and penalties.

3a. PAYMENT OF TAXES AND FEES ON VEHICLES (61 Pa. Code § 31.41, et seq.)

Sales Tax is due and payable at the time of application for Certificate of Title or Registration upon the sale or use of a motor vehicle, trailer or semi-trailer. The lease or rental of a motor vehicle is subject to Sales Tax and the PTA Tax or Fee. Report these taxes and fees on the appropriate return which must be filed with the PA Department of Revenue. (See Category 26.)

4. SALES TAX PURCHASE PRICE (72 P.S. § 7201(g); 61 Pa. Code § 33.2)

Tax is to be collected on the full purchase price without any deduction on account of the cost of labor, shipping, handling, delivery or installation. Separately stated charges for returnable containers are not subject to tax.

5. TAX RATE (72 P.S. § 7202; 61 Pa. Code § 31.2, 61 Pa. Code § 60.16)

The 6 percent state Sales Tax is to be collected on every separate taxable sale in accordance with the tax table on Page 37. On taxable sales originating in a city or county that has imposed a local tax, a separate 1 or 2 percent local Sales and Use Tax is imposed. See chart on Page 38. Rates for Public Transportation Assistance Fund Taxes due on the lease of a motor vehicle are shown on page 39.

6. TAX RETURNS (72 P.S. § 7217)

The department offers three electronic filing options, e-TIDES, TeleFile, and third party vendors.

E-TIDES is an Internet-based filing option that allows taxpayers to file returns and payments electronically without cost. A step-by-step demonstration is available to assist taxpayers through the registration process and can be accessed by visiting **www.etides.state.pa.us**.

TeleFile is a telephone filing system designed for taxpayers who do not have computer access. Pre-registration is not necessary to use TeleFile, however, you will need your Account ID, EIN or SSN, and the period ending date of the period you wish to file for prior to calling. TeleFile is toll-free and can be accessed 24 hours a day/7 days a week by calling 1-800-748-8299.

The department also has third party vendors who will provide e-filing software for those taxpayers who do not wish to use the department's e-filing options. A list of approved software vendors is available on the department's website at **www.revenue.state.pa.us**.

IMPORTANT: PA-3 forms are NOT available for download from the Internet and the use of other tax forms could result in non-filer notification and/or the misapplication of the tax payment.

MONTHLY RETURNS

Licensees whose actual tax liability is less than \$25,000, but greater than \$600 per quarter, must file monthly.

Monthly returns are due the 20th day of the month which follows the month in which the tax was collected.

QUARTERLY RETURNS

Licensees whose total tax liability is less than \$600 in the third calendar quarter, but greater than \$300 annually, must file quarterly. Quarterly returns are due:

Period	Due
January - March	April 20
April - June	July 20
July - September	October 20
October - December	January 20

SEMI-ANNUAL RETURNS

Licensees whose total tax liability is \$300 or less annually must file semi-annually.

Semi-annual returns are due:

Period	Due
First Six Months	August 20
Second Six Months	February 20

Tax Prepayments

Any licensees whose actual tax liability is \$25,000 or more for the third calendar quarter of the prior year must make a prepayment of tax monthly. Prepayments are due by the 20th day of each month. For additional information on this prepayment obligation, visit the department's online customer service center at www.revenue.state.pa.us.

FILE ELECTRONICALLY: E-TIDES INTERNET FILING

The Electronic Tax Information and Data Exchange System (e-TIDES), is an Internet-based business tax filing system, which is available free of charge for filing Sales, Use and Hotel Occupancy Tax, Employer Withholding Tax, Liquid Fuels and Fuels Tax and Unemployment Compensation.



WWW.ETIDES.STATE.PA.US

REMITTANCE OF TAX PAYMENTS BY ELECTRONIC FUNDS TRANSFER (EFT) (72 P.S. § 9; 61 Pa. Code § 5.3)

By regulation, the PA Departments of Treasury and Revenue implemented a program enabling taxpayers to remit tax payments through Electronic Funds Transfer (EFT). This regulation requires the participation of taxpayers remitting a payment of \$1,000 or more. Failure to comply with the EFT remittance requirements may result in an assessment of a penalty equal to 3 percent of the total tax due, not to exceed \$500. The penalty may be imposed on all payments of \$1,000 or more that are not presented to the Department of Revenue by an **approved** payment method. If a business does not meet the \$1,000 threshold, it may voluntarily request participation in the program.

All tax documents are still required to be filed even though the payments are made through EFT.

EFT Requirement: If you meet the \$1,000 payment threshold, you are required to remit your payment electronically.

Electronic Payment Methods: Taxpayers can choose one of the following electronic methods: Automated Clearing House (ACH) Debit, Automated Clearing House (ACH) Credit, or credit card. A convenience fee, which is based on the tax due, will be charged by the vendor for processing the credit card transaction. Credit card payments can be made by telephone or over the Internet. Visit the department's website at www.revenue.state.pa.us for more information.

DISCOUNT (72 P.S. § 7227)

A discount of 1 percent of the state and local sales tax collected may be deducted if the return, together with full remittance less proper discount, is filed on or before the due date. The discount will be denied for any payment over \$1,000 not remitted by EFT. See Page 4, Section 6 for details. The 1 percent discount also applies to PTA Taxes and Fees and the Vehicle Rental Tax.

LATE FILING (72 P.S. §§ 7265, 7266; 61 Pa. Code § 35.2)

No discount is granted on returns filed late. Interest and additions are to be added to late returns as follows:

Interest: Effective Jan. 1st of each year, the interest rate will be equal to the rate of interest established by the U.S. Secretary of Treasury. Interest rates can be obtained from form REV-1611. For any late payment of tax, interest is calculated on a daily basis using the following formula:

Interest = TAX x DAYS LATE x DAILY INTEREST RATE

NOTE: The daily interest rate is derived by dividing the annual interest rate by 365 days.

Additions: If any return is not filed by its due date, there is an addition of 5 percent of the tax due for each month or fraction of a month a proper return for the period remains unfiled, up to a maximum of 25 percent of the amount of tax for the period. In no case shall the addition be less than \$2.

NOTE: If the proper tax, interest and additions are not remitted, the department will make an assessment.

USE TAX (72 P.S. § 7202; 61 Pa. Code § 31.7)

Use tax due by all sales tax licensees must be reported and paid on the Sales, Use and Hotel Occupancy Tax Return. No discount is allowed on use tax reported. Use tax is due upon the purchase price of any taxable tangible personal property or services on which no equivalent amount of sales tax was paid. The tax must be reported and paid with the first tax return filed following the first taxable use of the property or service. Use tax due by nonlicensees must be reported and paid with form **PA-1, Use Tax Return**, within the first 20 days of the month following the month of the first taxable use in Pennsylvania.

Beginning with tax year 2011, individuals' use tax liabilities may be reported annually on the PA Personal Income Tax Return (PA-40). Visit www.revenue.state.pa.us/usetax for more information on use tax reporting responsibilities and options.

PTA TAXES AND FEES (61 Pa. Code § 47.19)

If the PTA Taxes or Fees have not been paid to a vendor, PTA licensees should report these taxes on Line 7 of the **PTA Taxes and Fees Return (PA-4)**.

7. HOTEL OCCUPANCY TAX (72 P.S. § 7210; 61 Pa. Code § 38.1, 38.2, 38.3)

A 6 percent tax is imposed upon the rent paid for the occupancy of a room or rooms in a hotel within the commonwealth. The term **hotel** is defined as a building or buildings in which the public may, for a consideration, obtain sleeping accommodations. **The term hotel shall not include any charitable, educational or religious summer camp for children, hospital or nursing home.**

An additional 1 percent local Hotel Occupancy Tax is imposed on the occupancy of rooms in hotels within a county or city which imposes a local tax. (See page 12.) The 6 percent and 1 percent Hotel Occupancy Taxes are in addition to any other room rental taxes imposed.

EXEMPTIONS (61 Pa. Code § 38.2)

After the completion of 30 consecutive days involving an occupancy of a room or rooms in a hotel, an occupant is considered to be a permanent resident and is not required to pay Hotel Occupancy Tax.

The occupancy of a room or rooms by an ambassador, minister, or other diplomatic representative of a foreign government properly accredited by the U.S. Government is not subject to tax. The occupancy of a room or rooms by employees or representatives of the U.S. Government is subject to tax unless the employee is on official business, provides the required supervisory approved documentation and the rent is paid by the U.S. Government.

8. TAX EXEMPT SALES (72 P.S. § 7204)

The following sales are not subject to tax:

The services of repairing, altering, mending, pressing, fitting, dyeing, laundering, dry cleaning or cleaning wearing apparel including formal wear and shoes. Alterations on formal wear, when purchased in conjunction with the original formal wear purchase, are taxable.

The services of laundering or dry cleaning of wearing apparel or household goods when performed by coin operated equipment.

Residential use of steam; natural, manufactured and bottled gas; fuel oil; electricity; basic telephone service and subscriber line charges.

Gasoline on which Liquid Fuels or Fuel Use Tax is paid.

Wrapping supplies when use is incidental to delivery of property.

Drugs or medical supplies (See Category 16, Page 25.)

Coal

Grocery store food

Water

Wearing apparel, except formal apparel, sporting goods and clothing and real or imitation fur articles

Newspapers of general circulation that are qualified to carry a legal advertisement

Caskets, burial vaults and grave markers

Flags of the United States and Pennsylvania

Textbooks for use in schools

Sales to the U.S. Government

Sales to the commonwealth and its instrumentalities or political subdivisions

Sales for resale

The transfer of property or rendition of services for **direct use** in: Dairying (61 Pa Code § 32.31), Farming (61 Pa Code § 32.33), Manufacturing (61 Pa Code § 32.32), Mining (61 Pa Code § 32.35), Printing (61 Pa Code § 32.36), Processing (61 Pa Code § 32.32) and Rendering a Public Utility Service (61 Pa Code § 32.34), except motor vehicles required to be registered. The sales at retail of motor vehicles required to be registered are subject to tax unless sold to a common carrier for direct use in rendering a public utility service.

Certain sales and services to organizations qualifying as purely public charities which hold an exemption number prefixed by the number **75**. These organizations do not qualify for exemption on purchases of materials, supplies or equipment used in the construction, reconstruction, remodeling, repair or maintenance of real estate, with the exception of materials and supplies used in the routine maintenance of real estate. The exemption does not apply to equipment used in performing routine maintenance of real estate, nor does the exemption apply to purchases for use in an unrelated trade or business.

8A. SALES ON WHICH NO PUBLIC TRANSPORTATION ASSISTANCE FUND TAXES (PTA) AND FEES ARE TO BE COLLECTED (61 Pa. Code § 47.19)

New tires for highway use by a governmental entity, leases and rentals of motor vehicles that qualify for a sales and use tax exemption are not subject to PTA Taxes or Fees.

9. ADDITIONAL SERVICES SUBJECT TO TAX

Generally, the services described below are subject to state and local sales or use tax unless otherwise exempt. These services are presumed to be subject to PA sales or use tax if the delivery or benefit of the service occurs in Pennsylvania. Use tax is due if the purchaser of the services does not pay sales tax to the vendor.

Pronouncements – Statements of Policy or Regulations on the services listed in A thru J have been published in the PA Bulletin. These can be obtained by visiting www.revenue.state.pa.us.

A. LOBBYING SERVICES (72 P.S. § 7201(k)(11), (o)(9); 61 Pa. Code § 60.6) – services provided by a lobbyist as that term is defined under the Lobbying Registration and Regulation Act are subject to tax if the benefit or delivery of the service occurs in Pennsylvania.

B. ADJUSTMENT, COLLECTION OR CREDIT REPORTING SERVICES (72 P.S. § 7201(k)(12), (o)(10); 61 Pa. Code §§ 60.10-.11) – adjustment and collection services are taxable when the creditor is doing business in Pennsylvania and the debtor’s address referred for adjustment or collection is also in the State. Moreover, credit reporting services are subject to tax when the information or report is delivered to or received at a location in the commonwealth. Taxable services include, but are not limited to, services provided by adjustment bureaus or collection agencies, consumer or mercantile credit reporting bureaus, credit bureaus or agencies, credit clearinghouses or credit investigation services. However, the provision of credit card service with collection by a central agency, debt counseling or adjustment services to individuals or billing or collection services provided by local exchange telephone companies are not taxable.

C. SECRETARIAL OR EDITING SERVICES (72 P.S. § 7201(K)(13), (o)(11); 61 Pa. Code § 60.8) – services including, but not limited to, editing, letter writing, proofreading, resume writing, typing or word processing performed for a purchaser in Pennsylvania are taxable. Such taxable services do not include court reporting and stenographic services.

D. EMPLOYMENT AGENCY SERVICES (72 P.S. § 7201(k)(15), (o)(13); 61 Pa. Code § 60.5) – employment agency services are taxable if the employee reports to work at a location in Pennsylvania or if the employee is assigned to work in Pennsylvania but reports to work at a location outside of the state. “Employment agency services” means the service of attempting to procure or procuring temporary or permanent employment for prospective employees or employers. Examples of such services include executive placement services or labor contractor employment agencies (other than farm labor.)

E. HELP SUPPLY SERVICES (72 P.S. § 7201(k)(15), (o)(13); 61 Pa. Code § 60.4) – help supply services are taxable if the delivery or use of the services occurs in Pennsylvania. “Help supply services” is the provision of an individual by a vendor to a purchaser when the individual is an employee of the vendor and is supervised by the purchaser. Examples of such services include those provided by labor and manpower pools, employee leasing services, office help supply services, temporary help services, usher services and modeling services. Farm labor services, human health-related services are not taxable help supply services.

F. DISINFECTING OR PEST CONTROL SERVICES (72 P.S. § 7201(k)(14), (o)(12); 61 Pa. Code § 60.3) – Disinfecting or pest control services are taxable when these services are performed on (1) real property that is located in Pennsylvania; (2) tangible personal property located in this commonwealth unless it is delivered to a location outside of the commonwealth, or (3) tangible personal property outside this commonwealth and the property is delivered to a location in this commonwealth. Disinfecting services are services to property that destroy or sanitize harmful microorganisms, including deodorizing. Pest control services are services to trees, shrubs, animals, buildings and other property that neutralize, exterminate, trap, recover or prevent pests, including fumigation.

G. BUILDING MAINTENANCE OR CLEANING SERVICES (72 P.S. § 7201(k)(14), (o)(12); 61 Pa. Code § 60.1) – building maintenance or cleaning services are subject to tax when performed in Pennsylvania; however, building repair services on buildings or other property that is permanently affixed to realty are nontaxable.

Building cleaning services are services that include the removal of dirt, dust, grease or grime on a building or inside of a building and the keeping of the building and its contents in a clean, neat, polished or orderly appearance. Building maintenance services are routine and periodic services on a building that keep a building in a satisfactory operating condition. Example of building maintenance and cleaning services are janitorial services, office or interior building cleaning or maintenance, bulb maintenance and acoustical tile cleaning services. Building repair services are any services that do not qualify as either building cleaning or building maintenance services.

H. LAWN CARE SERVICES (72 P.S. § 7201(k)(17), (o)(15); 61 Pa. Code § 55.6) – lawn upkeep services performed in Pennsylvania are taxable. Lawn care services include, but are not limited to, fertilizing; mowing; dethatching; applying herbicides, insecticides, or fungicides; and raking grass on lawns.

I. SELF-STORAGE SERVICES (72 P.S. § 7201(k)(18), (o)(16); 61 Pa. Code § 60.12) – the provision of a building, a room in a building, or a secured area within a building with a separate access for each purchaser for the storage of personal property is taxable if the self-storage is located in Pennsylvania. However, safe deposit boxes provided by financial institutions, storage in refrigerator or freezer units, storage in commercial warehouses, facilities for goods distribution and lockers in airports, bus stations, museums and other public places are not taxable self-storage services.

J. PREMIUM CABLE SERVICES (72 P.S. § 7201(m); 61 Pa. Code § 60.9) – the sale or use of premium cable service delivered to a location in Pennsylvania is taxable. Additionally, the sale, rental or lease of television, audio or radio equipment for use in connection with premium or nonpremium cable service is subject to tax.

10. CONSTRUCTION CONTRACTS (61 Pa. Code § 31.11 – 31.16)

Generally, construction contractors are required to pay tax on all property (including materials, equipment, components and supplies) that is furnished and installed in the performance of construction activities.

A contractor may claim an exemption on property qualifying as “building machinery and equipment,” as defined under 72 P.S. § 7201(pp), that will be transferred pursuant to a construction contract with an exempt entity such as a purely public charity or a government entity.

The contractor must provide to the vendor an exemption certificate that identifies the exempt entity and includes the exemption number issued by the department. Additionally, the contractor must

attach to the exemption certificate a list of the property claimed to qualify as "building machinery and equipment".

11. EXEMPTION CERTIFICATES (72 P.S. § 7237; 61 Pa. Code § 32.2)

Properly completed exemption certificates, REV-1220, which provide a valid reason for exemption and are accepted in good faith, relieve the vendor from the collection of tax.

Exemption certificates are required to substantiate all exempt sales with the exception of the following:

Unless otherwise stated, (1) sales to governmental entities, (2) sales of nontaxable tangible personal property or services, and (3) sales where delivery is required to be made outside of the commonwealth. Documentary evidence must be retained by the seller on these transactions.

12. PETITIONS FOR REASSESSMENT OR REFUND (72 P.S. §§ 9702, 10003.1; 61 Pa. Code § 7.1, et seq.)

PETITIONS FOR REASSESSMENT

Once a taxpayer has filed a return, the Department of Revenue has three years to issue an assessment for any additional tax owed. In certain circumstances, such as fraud or a failure to file a return, the department may have a longer period of time to issue an assessment. Under Act 119, the taxpayer has 90 days after the mailing date of the assessment to file a petition for reassessment with the Board of Appeals.

PETITIONS FOR REFUND

A petition for refund may be submitted when a taxpayer believes tax has been overpaid. A taxpayer generally has three years from the date of payment to petition for a refund. In case of audits, the refund petition must be filed within six months of the mailing date of the notice of assessment, determination or settlement.

For more information regarding petition procedures, please visit the Board of Appeals On-Line Petition Center at www.boardofappeals.state.pa.us.

13. PROPERTY PURCHASED WITH FOOD STAMPS (72 P.S. § 7204(46))

The sale at retail or use of tangible personal property purchased with food stamps is exempt from tax in accordance with the Food Stamp Act of 1977, as amended.

14. VENDING MACHINE SALES (61 Pa. Code § 31.28)

The vending machine sale of property, other than food and beverages, is taxed on each separate sale. Taxable food and beverages are taxed as follows: divide the gross receipts collected on taxable sales by 1.06 which results in the taxable sales amount. This taxable sales amount is multiplied by 0.06 to determine tax due. These figures should be inserted on the tax return.

15. BARBERS AND BEAUTICIANS (61 Pa. Code § 58.6)

Barbers and beauticians are required to pay tax on all purchases of equipment, materials or supplies, regardless whether the property is purchased for use in performance of services or for resale. If supplies are sold to a customer, the full 6 percent tax shall be charged and collected. The barber or beautician may take a "TPPR" (tax paid, purchase resold) credit on the credit line of the sales and use tax return for those purchases upon which tax was paid at the time of purchase and the item was resold. The TPRR block must be checked on the credit line of the tax return. If supplies are sold to a customer, the full 6 percent tax shall be charged and collected.

16. LOCAL SALES, USE OR HOTEL OCCUPANCY TAXES (61 PA. CODE § 60.16)

In addition to state Sales, Use, or Hotel Occupancy Taxes, a local sales, use, or hotel occupancy tax may also be imposed by a county of the commonwealth or the City of Philadelphia. As of January 2010, only Allegheny County and the City of Philadelphia have imposed local taxes. This local tax only applies to sales originating in or the use of taxable property or services in a county or city that has imposed the tax. Sales of property delivered to an out-of-state location is not subject to the local tax. Vendors may voluntarily collect the local tax to relieve purchasers of the responsibility to report Use Tax.

17. KEYSTONE OPPORTUNITY ZONES (73 P.S. § 820.101, et seq.)

Keystone Opportunity Zones (KOZ), Keystone Opportunity Expansion Zones (KOEZ) and Keystone Opportunity Improvement Zones (KOIZ) have been established throughout the commonwealth to encourage investment and development in areas designated as economically distressed. The zone sales tax exemption is limited to tangible personal property and services exclusively used, consumed or utilized by qualified businesses in the Zones. The exemption does not apply to motor vehicles.

Effective September 8, 2008, a construction contractor may make exempt purchases of taxable tangible personal property and services pursuant to a construction contract with a qualified business located within the Zones.

A qualified business in a Zone must have a sales tax exemption number, issued by the department on an annual basis, to claim the exemption when making otherwise taxable purchases.

Qualified businesses are required to complete a **Pennsylvania Exemption Certificate (REV-1220)** with the following information:

Line 4. Purchaser is a "KOZ/KOEZ/KOIZ business holding exemption number 72-xxxxxx"; and

Line 7. Other "Property or services are being purchased for use and consumption in a KOZ/KOEZ/KOIZ."

LISTING OF TAXABLE AND EXEMPT PROPERTY

T – TAXABLE

NT – NONTAXABLE

*** – INDICATES CHANGE OR CLARIFICATION**

**** – INDICATES NEW ITEM**

1 BOOKS AND STATIONERY

Tax is imposed on books, stationery and stationery supplies, including Bibles and religious publications sold by religious groups.

- T – Bibles
- T – Comic books
- T – Crossword, game books
- T – Dictionaries
- T – Greeting Cards
- T – Instruction books for needle-craft, embroidery, knitting, etc.
- NT – Mail order catalogues
- NT – Newspapers of general circulation qualified to carry a legal advertisement
- T – Periodicals and magazines not purchased by subscription
- NT – Periodicals and magazines purchased by subscription
- T – School supplies, except when sold directly to a school district or qualified nonprofit educational institution
- NT – Textbooks, when sold by a school or an authorized book store

2 BUSINESS SUPPLIES AND EQUIPMENT

Generally, sales of business supplies and equipment used in construction, repair, etc., of real estate are taxable.

- T – Amusement and record playing devices
- T – Building materials, supplies and equipment used in construction, repair, etc., of real estate, except building machinery and equipment purchased by or for certain exempt entities
- T – Business forms such as invoices, order books, etc.
- T – Cash register receipt paper
- *T – Canned computer software and licenses to use, regardless of method of delivery or access
- NT – Direct mail advertising materials, including calendars, match-books, etc.
- T – Display cases and merchandising equipment
- NT – Dry ice, when sold for internal packaging with the sale of property to others
- T – Fans
- T – Signs, circulars, show cards and posters
- T – Vending machines and equipment
- NT – Wrapping supplies used in connection with the sale of products

3**CLOTHING AND ACCESSORIES**

Generally, clothing is nontaxable except the following: (1) Formal day or evening apparel; (2) Articles made of real, imitation or synthetic fur, where the fur is more than three times the value of the next most valuable component material; and (3) Sporting goods and clothing normally worn or used when engaged in sports (See Category 23).

- T - Accessories and ornamental wear
- NT - Aprons
- NT - Belts and suspenders
 - T - Biking clothing
- NT - Boots and shoes, designed for everyday wear
 - T - Bridal apparel and accessories
 - T - Corsages and boutonnieres
 - T - Costumes - Halloween, Christmas, etc.
- NT - Dress shields
 - T - Formal clothing, including mother of the bride and flower girl dresses.
 - T - Fur, articles made of fur on hide or pelt, or any material imitative of fur, and articles of which fur, real, imitation or synthetic, is the component material of chief value; and fur trimmed articles, if the value of fur is more than three times the value of the next most valuable component material. Felt, wool or fabric is not taxable unless it resembles fur on the hide.
- NT - Garters and garter belts
- NT - Girdles
 - T - Gloves, baseball, golf, racquet, etc.
- NT - Gloves, cloth, leather, kid, for everyday wear
 - T - Gloves, sheepskin, fur, rubber
 - T - Graduation caps and gowns
- NT - Gym suits
 - T - Handkerchiefs
- *NT - Headwear for everyday wear
- **T - Helmets
- NT - Hosiery, pantyhose and peds
- NT - Hunting clothing, including camouflage and blaze orange
- NT - Leotards and tights
- NT - Leather wearing apparel
- NT - Lingerie
- NT - Maternity clothing for everyday wear
- NT - Neckwear, ties
- NT - Nightgowns
 - T - Prom dresses
- NT - Rainwear
- NT - Receiving blankets
- NT - Repairing of wearing apparel
 - T - Safety clothing - (See Category 17)

- NT - Scarves, for headwear and neckwear
- NT - Scout uniforms and camp clothes
 - T - Sheepskin coats
- NT - Stockings, including support-hose
- NT - Suspenders
- NT - T-shirts, imprinted
 - T - Tuxedos
 - T - Umbrellas
- NT - Underclothing
- NT - Work clothes, work uniforms
- NT - Yard goods (to make clothing)

4 COSMETICS AND TOILET GOODS

- T - After shave creams, lotions, powders
- T - Antiperspirants
- T - Aromatherapy products (Candles, oils, washes, etc.)
- T - Atomizers containing perfume and other liquids
- T - Bath milks, oils, powders, salts, tablets, crystals, etc.
- T - Bath and shower gels and body shampoos
- T - Bleach creams and lotions
- T - Blush, rouges
- T - Body lotion and creams
- T - Breath fresheners and breath sprays
- T - Bubble bath preparations
- T - Cocoa butter, if advertised or labeled for toilet purposes
- T - Colognes
- T - Compacts containing blush or powder, compact refills
- T - Cosmetics
- T - Creams, protective (having cosmetic claims or use as skin creams, antiperspirants)
- T - Creams, cleansing, beauty or cold
- T - Cuticle softeners and removers
- T - Deodorants (even though having a medicinal or curative value, if advertised or labeled for use as a body deodorant)
- T - Deodorants (for use in closets, bureau drawers, etc., for imparting fragrance to clothing)
- NT - Deodorants, colostomy
 - T - Dusting powders
 - T - Eyebrow pencils
 - T - Eyelash mascara and eyelash and brow dyes
 - T - Eye shadows, eyeliner
 - T - Face lotions, facial oils, face creams
 - T - Face packs
 - T - Face powders, in loose or cake and liquid form
 - T - Foundation makeup

- T - Freckle removers, vanishing creams
- T - Hair conditioners and rinses
- T - Hairdressings, lotions, tonics and pomades (regardless of whether they are colored or scented)
- T - Hair dyes, colorings, tints, rinses and bleaches
- T - Hair gels and mousse
- T - Hair oils
- T - Hair removers
- NT - Hair restorative medications
- T - Hairsprays
- T - Hair straighteners
- T - Hand lotions, creams and sanitizers
- T - Lip balm and ointments
- T - Lipsticks, lipstick refills, liquid lip color, lip liner and lip gloss
- T - Lotions, cleansing and beauty
- T - Manicure preparations and kits
- T - Mask preparations
- T - Massage creams
- T - Makeup remover
- T - Mouthwashes
- T - Nail bleaches
- T - Nail polish removers
- T - Nail polishes, nail lacquers, nail enamel
- T - Perfumes and perfume ingredient kits
- T - Perfume novelties, containing perfume
- T - Permanent waving creams, lotions, neutralizer and kits
- T - Powder bases (liquid, cream and pressed)
- T - Sachets containing powder or aroma producing materials
- T - Scalp lotions, which are used or intended for use as a treatment for dry or oily hair
- T - Shampoos
- T - Shaving preparations, creams, lotions, powders, including medicated preparations
- T - Skin balms, bleaches, creams, fresheners, lotions, oils tonics or whiteners
- T - Sun allergy cream
- T - Sunburn preventives - suntan creams, lotions, oils, sunblock, etc.
- NT - Sunburn treatment, lotions or creams
- T - Talcum powder
- NT - Toothbrush, electric
- NT - Toothbrush, toothpaste, tooth cleaners, dental floss and replacement brushes for electric toothbrush
- T - Water Piks
- T - Wave set, paste, powder or lotion
- T - Wrinkle removing and concealing preparations

5 FARMING SUPPLIES AND EQUIPMENT

The tax is not imposed upon the sale of property to a farmer to be used or consumed directly in the business of producing agricultural products. Home gardening is not considered farming. See REV-1729, Tax Information for Farmers, for additional information.

- NT - Artificial breeding equipment and supplies
- NT - Blacksmith/farrier services for commercial racehorses or horses used directly in farming
- T - Building supplies and materials used to build and repair barns, sheds, coops, etc.
- NT - Cleaners and disinfectants used in cleaning milking equipment and to sterilize milk cans to prevent spoilage. (Property used for general farm cleaning and maintenance is taxable)
- NT - Equipment used to extract a product from productive animals or from the soil, such as harvesters, combines, binders, forage blowers, milking equipment, egg collecting equipment, corn shuckers, threshers, manure handling equipment
- NT - Equipment such as barn shovels, ensilage forks, wheelbarrows and feed carts
- NT - Feed and feed additives for productive animals
- *T - Fencing
- NT - Fertilizer and chemical additives to be added to soil
- T - Fire prevention and safety equipment
- NT - Fuel for use in heating poultry brooder and greenhouses
- NT - Fumigation services upon agricultural commodities or containers used for agricultural commodities
- T - Greenhouses and mushroom houses (if permanently installed to the real estate)
- NT - Grooming materials, equipment and supplies when necessary for the health of productive animals
- NT - Harnesses used to control productive animals on the farm
- NT - Ice
- NT - Livestock equipment to dispense chemicals, medicines and feed additives
- NT - Livestock feeding equipment such as tubs, buckets, cans, etc., feed scoops and portable watering devices
- T - Maintenance facilities including tools, machinery and equipment to maintain machinery, equipment or building property, such as chain hoists, tire spreaders, drills, sanders, lumber, nails, wrenches, brooms, welding equipment, paint brushes and sprayers
- NT - Milk strainers and strainer discs and towels (dispensers to store and dispense the discs are taxable)
- T - Motor vehicles, if required to be licensed by the Dept. of Transportation
- NT - Pest control services for agricultural purposes
- NT - Property which becomes an ingredient or constituent of a farm product or is consumed by productive animals or plant growth, such as seeds, fertilizer, chemical additives, etc., and property such as seeders, planters, plows, harrows, cultivators, sprayers

and similar equipment used to till soil, plant, seed and care for productive plants.

- NT - Property used to handle, store or preserve farm products or productive animals on farm premises such as chemicals, grooming equipment (dehorner, debeaker, hoof trimmer, calf weaners, etc.)
- T - Property used to transport or convey the farm product after the final farming operation
- NT - Refrigeration or cooling equipment used to store and preserve farm products
- NT - Replacement parts such as tires, motors, belts, cutting edges, air filters, gears and similar replacement parts installed on exempt equipment. Motor fuels, lubricants, compressed air, distilled water, abrasives and similar supplies when used in operating exempt machinery are not taxable. Tools and equipment to apply parts and supplies are taxable.
- NT - Seeds
- NT - Silos
- T - Water heater for cleaning dairy equipment and supplies
- NT - Water pump for farm use
- NT - Wrapping supplies and containers which are non-returnable to deliver self-produced farm products.

6 FLOWERS, SEEDS, FERTILIZERS, ETC.

The tax is imposed upon the sale of property which is purchased by persons not engaged in the business of farming.

- T - Fertilizer, sprays, insecticides
- T - Gardening supplies
- T - Seeds and bulbs
- T - Vegetable seeds, vegetable plants, flowers, and fruit trees
- NT - Vegetable seeds, vegetable plants, and fruit trees purchased with food stamps

7 FOOD AND BEVERAGES SOLD FROM A CATERER OR ESTABLISHMENT SERVING READY-TO-EAT FOOD

Generally, tax is imposed on food and beverages for consumption on or off the premises, or on a take-out or to-go basis, or delivered to the purchaser or consumer, when purchased from a caterer or an eating establishment from which ready-to-eat foods and beverages are sold, such as a restaurant, cafe, lunch counter, private or social club, tavern, dining car, hotel, night club, fast food operation, pizzeria, fair, carnival, lunch cart, ice cream stand, snack bar, lunch truck, cafeteria, employee cafeteria, theatre, stadium, arena, amusement park, juice stand, carryout shop, coffee shop, popcorn stand and other establishments, whether mobile or immobile.

- NT - Alcohol, malt or brewed beverages and wines. Tax is paid at time of purchase from a Liquor Control Board store or licensed malt beverage distributor.
- NT - Candy and gum
- T - All food and beverages, in any quantity, including both food and beverages prepared on the premises and prepackaged food and beverages.

- T - Food supplements and substitutes
- NT - Ice
- T - Nonalcoholic beverages
- NT - Water

8 FOOD AND BEVERAGES SOLD FROM OTHER THAN A CATERER OR ESTABLISHMENT SELLING READY-TO-EAT FOOD

A vending machine, delicatessen, grocery store, supermarket, farmers market, bakery, donut shop, pastry shop, convenience store and other similar establishments selling the following taxable items, whether sold for consumption on or off the premises or on a take-out or to-go basis, or delivered is considered to be an eating establishment:

- **NT - Beer, six packs (unless sold by a distributor)
 - NT - Bitters and grenadine
 - T - Brewed coffee
 - NT - Candy apples
 - NT - Candy and gum
 - NT - Caramel corn
 - NT - Coffee, cold bottled and flavored
- **T - Coffee, hot
- **NT - Coffee beans, whole or ground
 - NT - Deli items such as meats and cheeses, potato salad, macaroni salad, etc.
 - NT - Food, fruit drinks, soft drinks and sandwiches purchased with food stamps
 - NT - Food supplements in any form
 - NT - Fruit drinks, noncarbonated or reconstituted, containing at least 25% natural fruit juice
 - T - Fruit drinks, noncarbonated or reconstituted, containing less than 25% natural fruit juice
 - T - Hot beverages
 - T - Hot food items
 - T - Hot soup
 - T - Hot pizza
- NT - Ice
 - T - Ice cream, yogurt and other ice based products when hand dipped or hand served
 - T - Kettle Korn
 - T - Kool Aid
 - T - Meals - not including prepackaged frozen meals
- **NT - Milk
 - T - Nonalcoholic beverages
- NT - Party trays, vegetable, cheese, seafood, meat
 - T - Pumpkins - for decoration
 - NT - Pumpkins - for food

- T - Salad bars, self-service
- T - Sandwiches
- T - Soft drinks, bottled and nonbottled (including soft drink mixes in powder, liquid or tablet form)
- NT - Soy milk
- T - Sports drinks
- **T - Sushi
- NT - Sweeteners, artificial
- NT - Tea, all forms including liquid and powdered tea
- NT - Water, including nonflavored mineral water
- *T - Water, flavored, including vitamin water

9 HAIR GOODS AND NOTIONS

Generally, hair goods are taxable unless the item qualifies as clothing.

- T - Hair goods and notions, such as barrettes, hair pins, hair nets, curlers, clips, hair bow holders, combs, brushes, chignons, bandeaux
- T - Shower caps
- T - Wigs and toupees (the service of cleaning, styling, etc., also is taxable)

10 HOBBY SUPPLIES, TOYS, GAMES, RADIOS, ETC.

- T - Audio players, components and accessories, records, compact discs
- T - Baseball, football cards, etc.
- T - Bicycles and parts
- T - Boats and equipment
- T - Computer games and equipment
- T - Games
- T - Hobby supplies
- T - Musical instruments and sheet music
- T - Photographic and projection equipment and supplies
- T - Photographic services, film developing, printing, processing, mounting, coloring, etc.
- T - Playing cards
- T - Pocket knives
- T - Radios, TV sets, receiving equipment
- T - Tape recorders and tapes
- T - Toys
- T - Video cassettes and discs, recorders and cameras

11 HOME SEWING, MILLINERY AND CRAFT SUPPLIES

Goods and items which are to become a component part of clothing are not taxable. Goods and items which become a component of articles other than clothing, such as formal wear and crafts, are taxable.

Equipment and supplies used in sewing are taxable. Clothing is defined as articles designed for everyday wear.

- T - Artificial flowers
- NT - Buckles for clothing
- T - Buckles for articles other than clothing
- NT - Buttons for clothing
- T - Buttons for articles other than clothing
- T - Dress forms
- NT - Dress patterns
- NT - Fabrics for clothing
- T - Fabrics for articles other than clothing
- NT - Dye, clothing fabric
- NT - Elastics for clothing
- T - Elastics for articles other than clothing
- NT - Embroidery of clothing
- T - Embroidery hoops
- T - Embroidery of formalwear and other items
- NT - Hooks and eyes for clothing
- T - Hooks and eyes for articles other than clothing
- NT - Knitting yarn for clothing
- T - Knitting yarn for articles other than clothing
- NT - Laces, ribbons, edgings, trimmings for clothing
- T - Laces, ribbons, edgings, trimmings for articles other than clothing
- T - Needle-craft instruction books
- T - Needles
- T - Rug yarns
- T - Scissors
- T - Sewing kits
- NT - Shoulder pads
- T - Tape measures
- T - Thimbles
- NT - Thread for clothing
- T - Thread for articles other than clothing
- NT - Yard goods for clothing
- T - Yard goods for articles other than clothing
- T - Yarn holders
- NT - Zippers for clothing
- T - Zippers for articles other than clothing

12 HOUSEHOLD GOODS AND SUPPLIES

- T - Air fresheners
- T - Ant traps
- T - Basin stoppers

- T - Batteries
- T - Bedding
- T - Books
- T - Boot caddy
- T - Brooms
- T - Buckets
- T - Candles
- T - Charcoal
- T - Cloth dish towels
- T - Cloth hand and bath towels
- T - Cloth laundry bags
- T - Clothesline
- T - Clothespins
- T - Coat hangers
- T - Cookware, pots and pans
- T - Cutlery
- T - Decorations
- T - Dinnerware
- T - Dishpans
- T - Dispensers
- T - Door mat
- T - Drinking glasses
- T - Easter egg color/paint
- T - Extension cords
- T - Filters, disposable air
- T - Fire extinguishers
- T - Fly swatters
- T - Fly tapes
- T - Furnishings, appliances, fittings, ornaments, furniture, equipment and accessories. Furnishings including bedding, rugs, lamps, hardware, electrical goods, mirrors, pillows, scarves for furniture, bookends, clocks, glassware, crockery, silverware, flatware and other household wares.
- T - Fuses
- T - Glue
- T - Grill utensils, scrapers
- T - Grill replacement parts
- T - Hardware and tools
- T - Household linens, blankets
- T - Insecticide sprays
- T - Ironing board and covers
- T - Jars for canning and jar lids
- T - Light bulbs
- T - Lubricating oils

- T - Matches
- T - Metal and plastic cooking utensils and flatware
- T - Mops
- T - Moth balls and moth flakes
- T - Mouse traps
- T - Needles
- T - Notebooks
- T - Oilcloth
- T - Paints, brushes and painting equipment
- T - Paint removers
- T - Plants, vegetable and flower (see Category 6)
- T - Polishing cloths
- T - Refrigerator deodorants
- T - Rubber gloves
- T - Rug shampoo applicators
- T - Salt, water softeners
- T - Sandpaper
- T - Scrub brushes
- T - Seeds, vegetable and flower (see Category 6)
- T - Shoe brushes
- T - Sponges
- T - Stationery
- T - Static control spray, sheets
- T - Thermometers
- T - Thimbles
- T - Tie racks
- T - Toothpicks
- T - Turpentine and paint thinner
- T - Vacuum bottles
- T - Vacuum cleaner bags, disposable
- T - Vacuum cleaner parts
- T - Ventilating fans and equipment
- T - Water filters, replacement
- T - Wax applicators
- T - Wax paraffin

A SOAPS AND DETERGENTS

- T - Bleaches
- T - Cleaner, septic tank, hand, oven, toilet bowl or tile
- T - Cleansers
- T - Detergents
- T - Drain opener
- T - Dry cleaning kits

- T - Pre-soaks
- T - Rug shampoo
- T - Soaps, scented and unscented
- T - Softeners (fabric)
- T - Spot removers and stain treatments
- T - Starch
- T - Whiteners

B CLEANING AND POLISHING PREPARATIONS

- T - Car cleaners and waxes
- T - Glass cleaner
- T - Polishes, floor, furniture, silver and similar items
- T - Removers, rust or wax
- T - Scouring pads
- T - Steel wool

C PAPER GOODS

- T - Cups, paper, plastic or styrene
- NT - Disposable diapers and incontinence products
- T - Drop cloths, paper and plastic
- T - Facial tissue
- T - Filters, coffee
- T - Napkins
- T - Place mats
- T - Plates, paper, plastic or styrofoam
- NT - Sanitary napkins, tampons or similar items used for feminine hygiene
- T - Shelf paper, liners
- T - Straws
- T - Tablecloths
- NT - Toilet tissue
- T - Towels
- NT - Wet-wipes

D WRAPPING SUPPLIES

- T - Aluminum foil
- T - Food bags
- T - Plastic wraps
- T - Tape, masking, scotch, plastic, freezer, duct
- T - Trash bags, paper and plastic
- T - Twine
- T - Wax paper
- T - Wrapping paper, including gift wrapping, ribbons, etc.

13 INFANT SUPPLIES

- T - Accessories, nursing bottles, nipples, teething beads, teethers
- NT - Bibs
- T - Car seats, infant
- T - Crib blankets
- T - Diaper bags
- NT - Diaper cream
- NT - Diaper pins
- NT - Diapers, cloth and disposable
- NT - Diaper Service
- NT - Formula
- T - Furniture including cribs, high chairs and booster seats
- T - Liners, (nursing bottles)
- T - Monitors
- NT - Receiving blankets for infants
- NT - Rubber pants

14 JEWELRY

- **T - Beads - Materials used in jewelry-making
- T - Earring backs
- T - Jewelry, including those with religious symbols incorporated
- T - Ornaments and pins for hats and dresses
- T - Jewelry repair

15 LUGGAGE, HANDBAGS, CARRYING BAGS, WALLETS, ETC.

- T - Bags, carrying, athletic, book, etc.
- T - Handbags, pocketbooks and purses
- T - Knitting bags
- T - Leather goods, except clothing
- T - Luggage, briefcases
- T - Wallets and billfolds

16 MEDICINE, DRUGS AND MEDICAL SUPPLIES; PROSTHETIC AND THERAPEUTIC DEVICES

The tax is not imposed on prescription or nonprescription medicines and drugs or medical supplies, crutches and wheelchairs for the use of people with disabilities, artificial limbs, artificial eyes and artificial hearing devices, when designed to be worn on the person of the purchaser or user, false teeth and materials used by a dentist in dental treatment, eyeglasses, when especially designed or prescribed by an ophthalmologist, oculist or optometrist for the personal use of the owner or purchaser, and artificial braces and supports designed solely for the use of people with disabilities, or any other therapeutic, prosthetic or artificial device designed for the use of a particular individual to correct or alleviate a physical incapacity, including, but not limited to, hospital beds, iron lungs and kidney machines.

- T - Acne cleaners and acne pads
- NT - Acne treatments, lotions, creams
- T - Adhesive removers
- NT - Adhesives used for medical treatment
- T - Air cleaners and electrostatic machines
- NT - Alcohol, rubbing, swabs and wipes
- NT - Analgesics
- NT - Antacids
- NT - Antiseptics, for external use only
- NT - Applicators (See "Cotton applicators")
- NT - Arch supports
- NT - Arm slings
- NT - Artificial eyes
- NT - Artificial limbs
- NT - Aspirin
- T - Autoclave
- NT - Automobile accessories, when noted by the Department of Transportation upon the motor vehicle operator's license of the purchaser that such accessories are necessary, and when charges for accessories are stated separately by the vendor on the sales invoice.
- NT - Automobile wheelchair lifts
- T - Baby powder
- NT - Bandages, dressings, gauze and cotton
- T - Bath tub and bathroom safety devices
- T - Batteries, unless purchased for use in medical equipment and from a medical supply house
- NT - Bed boards
- NT - Bed drain bags
- NT - Bed pans
- NT - Bed trapeze bars
- NT - Benzoin
- T - Bidet toilet seats
- T - Blankets
- T - Blood agar plates
- NT - Blood glucose monitors used to treat diabetes (therapeutic devices)
- NT - Blood pack units
- T - Blood pressure testing apparatus
- NT - Bone pins
- NT - Braces and supports worn on the body to correct or alleviate a physical incapacity
- NT - Braille teaching texts
- T - Breast pumps
- NT - Breathing units, intermittent positive pressure

- NT - Burn ointment and lotion
- NT - Calamine lotion
- NT - Canes
- NT - Cardiac emergency kit
- NT - Cardiac pacemakers and electrodes
- NT - Castor oil
- NT - Catheters and accessories
 - T - Chemical agents and related supplies for analysis of patients' specimens
- NT - Cod liver oil
- NT - Colostomy appliances
- NT - Colostomy deodorants
- NT - Commodes, chair bedside
- NT - Commode seats, elevated for use by incapacitated persons
- NT - Contact lenses and wetting solutions
 - T - Contact lenses cleaning solutions
- NT - Corn pads and plasters for the removal of corns
- NT - Cotton applicators, cotton rolls, cotton balls and cotton swabs
- NT - Cough and cold items, cough drops, cough syrups
- NT - Crutches
- NT - Crutch pads
- NT - Defibrillators
 - T - Dehumidifiers
- NT - Dental floss
- NT - Dental materials used in dental treatment, including x-ray film, cotton, impression and materials
 - T - Dentist chair
- NT - Dentist drills, disposable
- NT - Dentist materials which are transferred to the patient, including dentures, fillings, crowns, inlays, bridges and lingual or palatal bars
 - T - Dentist replacement burs, drills, reusable
- NT - Denture products, including denture cleaners and adhesives
 - T - Deodorants, personal and room
 - T - Diagnostic equipment
 - T - Diagnostic glassware and diagnostic testing materials
- NT - Dialysis machines
- NT - Diathermy machines
- NT - Dietary supplements and substitutes, in any form
- NT - Diet pills
 - T - Disinfectants
- NT - Drapes, paper
 - T - Ear plugs
 - T - EKG mounts and EKG paper

- NT - Elastic bandages and braces
- T - Electrocardiocorder
- NT - Emesis basins or pans
- NT - Epsom salts
- T - Esophageal dilator
- T - Eucalyptus oil
- NT - Examining table paper
- T - Exercise equipment, including exercise bikes and treadmill exercisers
- NT - Eye ointment
- NT - Eye pads
- NT - Eye washes
- NT - Eyeglasses, prescription
- NT - False teeth
- NT - First aid kits
- NT - Fluidic breathing assistor
- NT - Food substitutes
- NT - Foot pads, insoles, all types
- NT - Foot products for treatment of infections
- NT - Gauze
- NT - Gloves, surgical, disposable
- NT - Glucose tablets
- NT - Glycerine
- NT - Gowns, medical
- NT - Hearing aids and batteries
- T - Heaters, portable, room
- NT - Heating pads
- NT - Hospital beds, having side rails, electric and non-electric with attachments
- NT - Hot water bottles
- T - Humidifiers
- NT - Hygienic needs, douche powder, vaginal preparations
- NT - Hydrocortisone cream
- NT - Hydrogen peroxide
- NT - Ice bags
- NT - Ileostomy bags
- NT - Incontinence products, including incontinence pants
- NT - Infusion pumps
- NT - Inhalation therapy equipment and equipment used to provide emergency breathing assistance
- NT - Insulin
- T - Intravenous stand
- NT - IUD devices
- T - Laboratory testing and analysis equipment and supplies

- NT - Lactose intolerance medication
- NT - Lamps, ultraviolet and infrared
- NT - Lancets
- NT - Laxatives and cathartics
- **NT - Lice shampoo
- NT - Lifters, patient
- NT - Lubricating jelly
- NT - Lymphedema pumps
 - T - MRI equipment
 - T - Mattresses, air
- NT - Mattresses, alternating positive pressure
- NT - Mattresses and covers for hospital beds
 - T - Medical alert cards
 - T - Medical alert systems
- NT - Medicated powder
- NT - Medicine cups, disposable
 - T - Microscopes
- NT - Milk of magnesia
 - T - Mouthwashes
- NT - Muscle stimulator, electronic for physical therapy
- NT - Nasal cannula
 - T - Nasal speculum
 - T - Needle holder
- NT - Needles, disposable
 - T - Needles and syringes, reusable
- NT - Orthodontic brackets
 - T - Orthodontic trays
- NT - Orthopedic splints
 - T - Overbed tables
- NT - Oxygen and oxygen equipment, when used for medical treatment
- NT - Pads, moist heat pad, alternating positive pressure pad, flotation pad, lambs wool pad
- NT - Paraffin bath units, standard or portable
 - T - Percussors
- NT - Pet medicines
- NT - Petroleum jelly
- NT - Physical therapy equipment, when designed exclusively for use in correcting or alleviating a physical incapacity
 - T - Plaque remover
 - T - Pore cleaners, medicated, pore strips
- NT - Postural drainage boards
- NT - Postural support chairs
- NT - Pre-moistened wipes

- NT - Prophylactics
- NT - Prostheses (mammary, malar, chin, urinary, incontinence, etc.)
 - T - Pumice powder
- NT - Pump, diaphragm, pressure vacuum
 - T - Razor blades, unless disposable and used for medical procedure preparation
- NT - Rectal preparations
 - T - Safety grab bars
- NT - Sanitary napkins, tampons and similar items
 - T - Sanitizer, air
 - T - Sauna baths
 - T - Scissors
 - T - Shaving products
 - T - Sheets, cloth
- NT - Sheets, disposable
- NT - Shoe insoles, orthopedically designed
- NT - Sitz bath
- NT - Smoking deterrents, gum and patch
 - T - Soaps
- NT - Specimen containers, disposable
 - T - Sphygmomanometer
 - T - Sphygmostat
- NT - Stair gliders for persons having a physical disability, installed in the purchaser's home and pursuant to a physician's prescription
 - T - Stethoscope
- NT - Styptic pencils
 - T - Suction machines and pumps
- NT - Sunburn treatment lotions or creams
 - T - Sunglasses (unless prescription)
 - T - Suntan lotion, sunblock
- NT - Suppositories
 - T - Surgical instruments
- NT - Surgical instruments and supplies, single use disposable
- NT - Surgical masks, disposable
- NT - Sutures
- NT - Syringes, disposable
 - T - Syringes, reusable
 - T - Tables, bedside
 - T - Tables, examining
 - T - Talcum powder
 - T - Teeth whitening strips
 - T - Telecaption equipment
- NT - Test strips used in treatment of diabetes
 - T - Testing kits, pregnancy, UTI

- NT - Thermal pads, disposable
- T - Thermometer, medical
- NT - Thermometer covers, disposable
- NT - Tongue depressor, disposable
- NT - Toothache drops
- NT - Toothbrushes
- NT - Toothpaste
- T - Tooth whitening kits
- NT - Tourniquets
- NT - Trachea tubes
- NT - Traction units, including bed stand, ankle, extension, pelvic or cervical units, head holder, fracture unit with trapeze bar set, weights, weight bags, pelvic lacing belt, and over door traction equipment
- NT - Tubing, intravenous
- NT - Urine drain bag
- T - Vacutainers
- NT - Vaginal diaphragms
- T - Vapona strips
- T - Vaporizers
- NT - Vitamins
- NT - Walking bars and walkers
- NT - Wheelchairs, manual and motorized, scooters and batteries
- T - Whirlpool baths and whirlpool pumps
- T - Wigs
- T - X-ray equipment and machines
- T - X-ray film and chemicals not used by dentists

17 MISCELLANEOUS

- T - Antiques
- NT - Bullion, investment metal
- NT - Body tattooing and piercing
- NT - Caskets, burial vaults, markers, cremation urns and tombstones for human graves, including foundations
- T - Christmas trees
- T - Coin banks and coin holders
- NT - Coins, investment (numismatic coins and legal tender)
- T - Compressed air, dispensed
- T - Corkage fee
- NT - Coupon books sold to individual consumers
- T - Dry ice, except when sold as an internal packaging material to retailer, manufacturer or processor
- NT - Safety equipment and devices designed and worn by production personnel employed in manufacturing, processing, mining, public utility, farming and dairying. Examples: asbestos suits,

gloves, aprons, boots, masks, helmets, goggles and similar items

T - Equipment and devices worn by nonproduction personnel

T - Fencing materials

*NT - Flags of the U.S. and Commonwealth. Bunting and other flags are taxable.

T - Flag kits, that include poles or brackets

T - Fuel for motor vehicles, except when subject to Liquid Fuel or Fuel Use Tax

T - Global positioning satellite, equipment and service

NT - Gift cards

NT - Health club membership fees

T - Hot tubs and spas, regardless of physician recommendation

T - Lunch kits, vacuum bottles and replacement parts

T - Motor vehicle repair services (including labor), accessories, parts, supplies, lubricants, equipment, vehicle and emission inspection

T - Paper money, which is not legal tender in U.S.A., is taxable on full purchase price

T - Paper money, which is legal tender in U.S.A., is taxable on amount in excess of face value

NT - Parking fees

T - Party favors

NT - Pony rides and trail rides

T - Prepaid telephone cards

T - Religious articles

T - Scout supplies and training manuals, except when sold to a scout troop

**T - Sheds, unless purchaser has a building permit

T - Souvenirs

T - Stamps, uncanceled U.S.A. stamps are taxable on amount in excess of face value

T - Stamps, canceled U.S.A. stamps and all foreign stamps are taxable on the full purchase price

NT - Tanning booth fees

T - Trading stamp redemption for taxable property

18 OPTICAL GOODS

NT - Contact lenses and wetting solutions

T - Contact lenses cleaning solutions

NT - Eyeglasses, prescription

T - Magnifying glasses

T - Opera glasses and field glasses

T - Sunglasses (prescription sunglasses are exempt)

PETS

- NT - Boarding, sitting or walking
- T - Clippers and clipper lubricants
- T - Equipment (collars, leashes, etc.)
- T - Farrier services for pet horses
- NT - Flea collars, flea powder, flea and tick soap and tick sprays
- T - Food, including food supplements and prescription food
- T - Grooming, unless performed by a veterinarian for the purpose of or incidental to medical treatment
- NT - Medicines and medical supplies
- T - Pet caskets and urns
- NT - Pet cremation and burial services
- T - Sale or rental of pets, or adoption from shelters, which includes fees for shots and spaying or neutering
- T - Shampoo
- T - Veterinarian equipment
- NT - Veterinarian services
- T - Vitamins

20 RELIGIOUS ARTICLES

Bibles, religious publications and religious articles are subject to tax unless purchased by organizations qualifying as institutions of purely public charities which hold an exemption number prefixed by the number 75, and government entities.

- T - Bibles
- T - Candles used in religious worship
- T - Holy water bottles
- T - Clergy vestments and choir and altar server clothing
- T - Nativity scenes
- T - Religious statues, medals and symbols used in religious worship
- T - Religious publications sold by religious groups
- T - Rosaries
- T - Wines used in religious services

21 RESTAURANT EQUIPMENT AND SUPPLIES

Equipment, implements and similar property for use in the preparation and service of food is taxable.

- T - Carbonator for soda fountain operation
- NT - Carbon dioxide for soda fountain
- NT - Chef Hats
- T - Disposable trays
- T - Equipment used to prepare and serve food and beverages
- T - Ice making equipment
- T - Latex gloves

- T - Napkins, wooden or plastic spoons, forks, straws and similar articles for use in restaurants, vending machines and other eating places
- T - Placemats
- T - Toothpicks
- T - Vending machines and equipment
- NT - Work uniforms
- NT - Wrapping supplies, paper or plastic plates, cups and similar articles for the delivery of food, used by restaurants or in vending machines

22 SHOES AND SHOE ACCESSORIES

Generally shoes designed for everyday wear are exempt. However, shoes designed for formal wear or sporting activities are taxable.

- T - Bathing (swimming) shoes
- NT - Overshoes
- NT - Safety shoes
 - T - Shoe brushes, applicators and shoe trees
 - T - Shoe clips
- NT - Shoe dye
- NT - Shoe laces
- NT - Shoe polish
- NT - Shoe repairs
 - T - Shoes for baseball, bowling, football, golf, soccer, hockey, dance, etc.
 - T - Shoes for formal wear, such as metallic cloth, brocade, satin or silver leather, primarily for formal wear.
- NT - Slippers
- NT - Shoe soles and heels for shoe repair
- NT - Shower clogs
- NT - Sneakers, jogging, tennis and aerobic shoes
- **NT - Toe sneakers

23 SPORTING EQUIPMENT, CLOTHING, SUPPLIES AND RECREATIONAL EQUIPMENT

Tax is imposed on sporting and recreational equipment, clothing and supplies which are designed to be worn and are normally worn only when engaged in sports.

- T - Accessories such as ammunition belts, hip waders and fly vests
- **T - Ballet shoes
- NT - Baseball caps and tee shirts
 - T - Bathing caps
 - T - Bathing suits
 - T - Beach coats
 - T - Bicycles, parts, accessories and supplies
 - T - Boats, pleasure boats and equipment and parts

- NT - Bowling shirts
- T - Bowling shoes, purchase and rental
- T - Equipment and supplies for baseball, football, hockey, basketball and other sports
- T - Exercise equipment
- T - Guns and ammunition
- NT - Gym suits, outfits
- T - Helmets
- T - Hunting accessories
- NT - Hunting clothing, including camouflage and blaze orange
- NT - Jogging outfits, running shoes
- T - Mats, floor
- T - Protective equipment, knee pads, elbow pads, forearm pads, etc.
- T - Sleeping bags
- NT - Sneakers, jogging, tennis and aerobic shoes, etc.
- NT - Snowmobile suits
- T - Uniforms, baseball, football, soccer, basketball, hockey etc.
- NT - Warm-up suits, cloth sweat suits
- T - Weights
- T - Skates, ice, roller, in-line and sharpening

24 TOBACCO PRODUCTS

- *T - Chewing tobacco, all types
- T - Cigarettes, little cigars
- T - Smoking accessories
- *T - Tobacco, all types
- **T - Cigars, all types

25 UTILITIES AND FUEL

- NT - Coal
- NT - Coin-operated telephone charges
- T - Corn and corn pellets
- T - Firelogs, processed
- NT - Firewood, kindling and wood pellets for residential use
- NT - Fuel oil, gas, steam or electricity purchased for residential use
- T - Fuel oil, gas, steam or electricity purchased for commercial use
- T - Interstate and intrastate telephone services for residential or commercial use
- NT - Basic telephone service and subscriber line charges for residential use
- T - Basic telephone service and subscriber line charges for commercial use
- T - Utilities for office or business within home

26**TIRES AND MOTOR VEHICLE LEASES AND RENTALS
SUBJECT TO PUBLIC TRANSPORTATION ASSISTANCE
FUND TAXES AND FEES (PTA) (61 Pa. Code § 47.19)**

The following items are subject to Public Transportation Assistance Fund Taxes or Fees as indicated below. The tax or fee is IN ADDITION TO any Sales or Use Tax which may be due. However, the Sales, Use, PTA Taxes or PTA Fees shall not be included within the tax base when imposing such taxes or fees.

ITEM	PTA TAX/FEE	EXEMPTION
Tires, new tires for highway use (used tires and tires for off highway use are not subject to the fee)	\$1 fee upon the sale of each new tire	(Exempt only if purchased by a government entity)
Rentals of Motor Vehicles (the term rental shall mean the transfer of the possession of a motor vehicle for a period of less than 30 days)	\$2 fee upon each rental day or part thereof	Exempt, if lessee qualifies for Sales Tax Exemption
Leases of Motor Vehicles (the term lease shall mean the transfer of possession of a motor vehicle for a period of 30 or more days)	3 percent tax upon the total lease payment including down payment and accelerated lease payments	Exempt, if lessee qualifies for Sales Tax Exemption

27**VEHICLE RENTAL TAX (VRT) (61 Pa. Code § 47.20)**

Rental companies that have available for rental five or more motor vehicles designed to carry 15 or less passengers, or a truck, trailer or semi-trailer used in the transportation of property, other than commercial freight that is rented without a driver, are responsible for collecting an additional 2 percent tax. This tax is imposed on the purchase price, as calculated for Sales Tax purposes, of each rental contract for a period of 29 consecutive days or less. The VRT is separate from, and in addition to, any applicable state or local Sales Tax or the \$2 daily PTA fee.

Rental companies may claim a refund up to the amount of tax remitted for licensing and titling fees paid to the Commonwealth during a previous calendar year.

SALES AND USE TAX RATES

6% RATES					
From	Through	Tax	From	Through	Tax
\$.01	.10	.00			
.11	.17	.01	7.11	7.17	.43
.18	.34	.02	7.18	7.34	.44
.35	.50	.03	7.35	7.50	.45
.51	.67	.04	7.51	7.67	.46
.68	.84	.05	7.68	7.84	.47
.85	1.10	.06	7.85	8.10	.48
1.11	1.17	.07	8.11	8.17	.49
1.18	1.34	.08	8.18	8.34	.50
1.35	1.50	.09	8.35	8.50	.51
1.51	1.67	.10	8.51	8.67	.52
1.68	1.84	.11	8.68	8.84	.53
1.85	2.10	.12	8.85	9.10	.54
2.11	2.17	.13	9.11	9.17	.55
2.18	2.34	.14	9.18	9.34	.56
2.35	2.50	.15	9.35	9.50	.57
2.51	2.67	.16	9.51	9.67	.58
2.68	2.84	.17	9.68	9.84	.59
2.85	3.10	.18	9.85	10.00	.60
3.11	3.17	.19			
3.18	3.34	.20	Amount	Tax	
3.35	3.50	.21	\$ 10	\$.60	
3.51	3.67	.22	20	1.20	
3.68	3.84	.23	30	1.80	
3.85	4.10	.24	40	2.40	
4.11	4.17	.25	50	3.00	
4.18	4.34	.26	60	3.60	
4.35	4.50	.27	70	4.20	
4.51	4.67	.28	80	4.80	
4.68	4.84	.29	90	5.40	
4.85	5.10	.30	100	6.00	
5.11	5.17	.31	200	12.00	
5.18	5.34	.32	300	18.00	
5.35	5.50	.33	400	24.00	
5.51	5.67	.34	500	30.00	
5.68	5.84	.35	600	36.00	
5.85	6.10	.36	700	42.00	
6.11	6.17	.37	800	48.00	
6.18	6.34	.38	900	54.00	
6.35	6.50	.39	1000	60.00	
6.51	6.67	.40	2000	120.00	
6.68	6.84	.41	3000	180.00	
6.85	7.10	.42			

If the purchase price is more than \$10, 6 percent and 1 percent or 2 percent county tax (if applicable), of each dollar plus the above bracket charges upon any fractional part of a dollar must be collected.

SALES AND USE TAX RATES (Continued)

1% RATES			2% RATES		
From	Through	Tax	From	Through	Tax
\$.51	1.50	.01	\$.26	.75	.01
1.51	2.50	.02	.76	1.25	.02
2.51	3.50	.03	1.26	1.75	.03
3.51	4.50	.04	1.76	2.25	.04
4.51	5.50	.05	2.26	2.75	.05
5.51	6.50	.06	2.76	3.25	.06
6.51	7.50	.07	3.26	3.75	.07
7.51	8.50	.08	3.76	4.25	.08
8.51	9.50	.09	4.26	4.75	.09
9.51	10.00	.10	4.76	5.25	.10
			5.26	5.75	.11
			5.76	6.25	.12
			6.26	6.75	.13
			6.76	7.25	.14
			7.26	7.75	.15
			7.76	8.25	.16
			8.26	8.75	.17
			8.76	9.25	.18
			9.26	9.75	.19
			9.76	10.00	.20

3% RATE TABLE FOR CALCULATION OF THE MOTOR VEHICLE LEASE ADDITIONAL TAX

FROM		TO		TAX	
\$.17	.....	\$ .49	.....	\$ .01	
.50	.....	.83	.....	.02	
.84	.....	1.16	.....	.03	
1.17	.....	1.49	.....	.04	
1.50	.....	1.83	.....	.05	
1.84	.....	2.16	.....	.06	
2.17	.....	2.49	.....	.07	
2.50	.....	2.83	.....	.08	
2.84	.....	3.16	.....	.09	
3.17	.....	3.49	.....	.10	
3.50	.....	3.83	.....	.11	
3.84	.....	4.16	.....	.12	
4.17	.....	4.49	.....	.13	
4.50	.....	4.83	.....	.14	
4.84	.....	5.16	.....	.15	
5.17	.....	5.49	.....	.16	
5.50	.....	5.83	.....	.17	
5.84	.....	6.16	.....	.18	
6.17	.....	6.49	.....	.19	
6.50	.....	6.83	.....	.20	
6.84	.....	7.16	.....	.21	
7.17	.....	7.49	.....	.22	
7.50	.....	7.83	.....	.23	
7.84	.....	8.16	.....	.24	
8.17	.....	8.49	.....	.25	
8.50	.....	8.83	.....	.26	
8.84	.....	9.16	.....	.27	
9.17	.....	9.49	.....	.28	
9.50	.....	9.83	.....	.29	
9.84	.....	10.16	.....	.30	
AMOUNT	TAX	AMOUNT	TAX		
\$10	.....\$ .30	\$60	.....\$ 1.80		
\$20	..... .60	\$70	..... 2.10		
\$30	..... .90	\$80	..... 2.40		
\$40	..... 1.20	\$90	..... 2.70		
\$50	..... 1.50	\$100	..... 3.00		

If the purchase price is more than \$10, 3 percent of each dollar plus the above charges upon any fractional part of a dollar must be collected.



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DEPARTMENT OF REVENUE

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Trade Secret/Confidential Proprietary Information Notice

Instructions:

The Commonwealth may not assert on behalf of a third party an exception to the public release of materials that contain trade secrets or confidential proprietary information unless the materials are accompanied, at the time they are submitted, by this form or a document containing similar information.

It is the responsibility of the party submitting this form to ensure that all statements and assertions made below are legally defensible and accurate. The Commonwealth will not provide a submitting party any advice with regard to trade secret law.

Name of submitting party:

Contact information for submitting party:

Please provide a brief overview of the materials that you are submitting (e.g. bid proposal, grant application, technical schematics):

Please provide a brief explanation of why the materials are being submitted to the Commonwealth (e.g. response to bid #12345, application for grant XYZ being offered by the Department of Health, documents required to be submitted under law ABC)

Please provide a list detailing which portions of the material being submitted you believe constitute a trade secret or confidential proprietary information, and please provide an explanation of why you think those materials constitute a trade secret or confidential proprietary information. Also, please mark the submitted material in such a way to allow a reviewer to easily distinguish between the parts referenced below. (You may attach additional pages if needed)

Note: The following information will not be considered a trade secret or confidential proprietary information:

- Any information submitted as part of a vendor's cost proposal
- Information submitted as part of a vendor's technical response that does not pertain to specific business practices or product specification
- Information submitted as part of a vendor's technical or small diverse business response that is otherwise publicly available or otherwise easily obtained
- Information detailing the name, quantity, and price paid for any product or service being purchased by the Commonwealth

<u>Page Number</u>	<u>Description</u>	<u>Explanation</u>
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Acknowledgment

The undersigned party hereby agrees that it has read and completed this form, and has marked the material being submitted in accordance with the instructions above. The undersigned party acknowledges that the Commonwealth is not liable for the use or disclosure of trade secret data or confidential proprietary information that has not been clearly marked as such, and which was not accompanied by a specific explanation included with this form.

The undersigned agrees to defend any action seeking release of the materials it believes to be trade secret or confidential, and indemnify and hold harmless the Commonwealth, its agents and employees, from any judgments awarded against the Commonwealth in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives so long as the Commonwealth has possession of the submitted material, and will apply to all costs unless and until the undersigned provides a written statement or similar notice to the Commonwealth stating that it no longer wishes to exempt the submitted material from public disclosure.

The undersigned acknowledges that the Commonwealth is required to keep all records for at least as long as specified in its published records retention schedule.

The undersigned acknowledges that the Commonwealth reserves the right to reject the undersigned's claim of trade secret/confidential proprietary information if the Commonwealth determines that the undersigned has not met the burden of establishing that the information constitutes a trade secret or is confidential. The undersigned also acknowledges that if only a certain part of the submitted material is found to constitute a trade secret or is confidential, the remainder of the submitted material will become public; only the protected information will be removed and remain nonpublic.

If being submitted electronically, the undersigned agrees that the mark below is a valid electronic signature.

Signature

Title

Date