

New York State Office Of General Services
Procurement Services Group
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PURCHASING MEMORANDUM

GENERAL INFORMATION BULLETIN

NUMBER: CL-729

DATE: June 29, 2010

SUBJECT: REPEAL OF THE CENTRALIZED PROCUREMENT CONTRACT FEE
(§163-C of the State Finance Law)

TO ALL STATE AGENCIES AND OTHERS AUTHORIZED TO USE STATE CONTRACTS AND ALL CURRENT CONTRACTORS:

Effective June 22, 2010, Chapter 56 of the Laws of 2010 repealed §163-c of the State Finance Law that required a Procurement Contract Fee on certain centralized contracts. With the repeal, the fee is eliminated from contracts containing the "Procurement Contract Fee" clause, designated by the "PF" designation following the award number on the face of the award. With the repeal, the fee of one-half of one percent (0.005) of total sales made to authorized users that had been imposed on certain centralized contracts is eliminated and will no longer be applicable to pending and future solicitations. Fees collected during the current reporting quarter (April 1-June 30, 2010) should continue to be remitted to the Department of Taxation and Finance in accordance with the existing process and procedures.

Individual contractors and prospective bidders will be contacted directly by procurement staff, as necessary, regarding adjustments to their contracts or bids.

Additional information will be forthcoming regarding the elimination of the procurement fee. In the interim, questions may be directed to the OGS Procurement Services Group designated contact or the Purchasing Officer responsible for the subject procurement.