

# 52.229-14 Taxes—Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement).

As prescribed in [29.402-4\(b\)](#), use the following clause:

Taxes—Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement) (Nov 2021)

(a) *Definition.* North Atlantic Treaty Organization (NATO) Forces, as used in this clause, means the Members of the Force, Members of the Civilian *Component*, NATO Personnel and all property, equipment, and materiel of NATO, NATO Member States, and Operational Partners present in the territory of Afghanistan.

(b) *Tax exemption.* This *acquisition* is covered by the Status of Forces Agreement (SOFA) entered into between NATO and the Islamic Republic of Afghanistan (Afghanistan) issued on September 30, 2014, and entered into force on January 1, 2015.

(1) The SOFA exempts NATO Forces and its contractors and subcontractors (other than those that are Afghan legal entities or residents) from paying any tax or similar charge assessed by the Government of Afghanistan within Afghanistan if the activities are on behalf of or in support of NATO Forces. The SOFA also exempts the *acquisition*, importation, exportation, reexportation, transportation, and use of *supplies* and services in Afghanistan on behalf of or in support of NATO Forces from all Afghan taxes, customs, duties, fees, or similar charges.

(2) The Contractor *shall* exclude any Afghan taxes, customs, duties, fees or similar charges from the contract price, other than those charged to Afghan legal entities or residents.

(3) Afghan citizens employed by NATO contractors and subcontractors are subject to Afghan tax laws. To the extent required by Afghan law, the Contractor *shall* withhold tax from the wages of these employees and remit those withholdings to the appropriate Afghan taxing authority. These withholdings are an individual's liability, not a tax against the Contractor.

(c) *Subcontracts.* The Contractor *shall* include the substance of this clause, including this paragraph (c), in all subcontracts including subcontracts for *commercial products* or *commercial services*.

(End of clause)

**Parent topic:** [52.229 \[Reserved\]](#)