PURCHASE REQUEST AND COMMITMENT
For use of this form, see AR 37-1; the proponent agency is OASA(FM)

1. PURCHASE INSTRUMENT NO.: PRC 6250
2. REQUISITION NO.: WB56AA-0872-0808
3. DATE:
PAGE OF PAGES

4. TO: Purchasing and Contracting Office
5. THRU: Office Deputy Cief of Staff Resource Management
6. FROM: PBO, 266th Finance Command
Unit 29001
APO AE 09007

It is requested that the supplies and services enumerated below or on attached list be

7. PURCHASED FOR: HQ 5th Signal Command
APO AE 09056
8. DELIVERED TO: BLDG 4242
Tompkins Barracks
9. NOT LATER THAN (Date): 10 June 03

The supplies and services listed below cannot be secured through normal supply channels or other Army supply sources in the immediate vicinity, and their procurement will not violate existing regulations pertaining to local purchases for stock, therefore, local procurement is necessary for the following reason: *(Check appropriate box and complete item.)*

10. NAME OF PERSON TO CALL FOR ADDITIONAL INFORMATION: SFC Builder
11. TELEPHONE NUMBER: X-5169

X — 12. LOCAL PURCHASES AUTHORIZED AS THE NORMAL MEANS OF SUPPLY FOR THE FOREGOING BY: AR 611
13. REQUISITIONING DISCLOSES NONAVAILABILITY OF ITEMS AND LOCAL PURCHASE IS AUTHORIZED BY:

EMERGENCY SITUATION PRECLUDES USE OF REQUISITION CHANNELS FOR SECURING ITEM

14. ITEM	15. DESCRIPTION OF SUPPLY OR SERVICES	16. QUANTITY	17. UNIT	18. ESTIMATED UNIT PRICE *a*	18. ESTIMATED TOTAL COST *b*
1	Concrete, Ready Mix	906	cu yd	150	135,900.00

FUND CERTIFICATION

The supplies and services listed on this request are properly chargeable to the following allotments, the available balances of which are sufficient to cover the cost thereof, and funds have been committed.

19. ACCOUNTING CLASSIFICATION AND AMOUNT
21*2020 76-9505 117096.00 26EB WB56AA08720808 MJDF S09076 $135,900.00

20. TYPED NAME AND TITLE OF CERTIFYING OFFICER: Sandra T Byer
CPT, FC, G8
21. SIGNATURE: Sandra T Byer
22. DATE: 10 June 03

23. DISCOUNT TERMS:

24. PURCHASE ORDER NUMBER:

25. THE FOREGOING ITEMS ARE REQUIRED NOT LATER THAN AS INDICATED ABOVE FOR THE FOLLOWING PURPOSE
Pave Parking Lots

26. DELIVERY REQUIREMENTS
ARE MORE THAN 7 DAYS REQUIRED TO INSPECT AND ACCEPT THE REQUESTED GOODS OR SERVICES
YES ☐ NO ☒
IF YES, NUMBER OF DAYS REQUIRED

27. TYPED NAME AND GRADE OF INITIATING OFFICER: J.R. Smith
28. SIGNATURE: J R Smith
29. DATE: 10 Jun 03
30. TELEPHONE NUMBER: X-5555

31. TYPED NAME AND GRADE OF SUPPLY OFFICER: Farra Ball
32. SIGNATURE: Farra Ball
33. DATE: 10 Jun 03

34. TYPED NAME AND GRADE OF APPROVING OFFICER OR DESIGNEE: Kenneth M Alexander
LTC, IN
Commanding
35. SIGNATURE: Kenneth M Alexander
36. DATE: 10 Jun 03

DA FORM 3953, MAR 91 — EDITION OF AUG 76 IS OBSOLETE — USAPPC V2.00

Encl 10

DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY, EUROPE, and SEVENTH ARMY
OFFICE OF THE DEPUTY CHIEF OF STAFF, RESOURCE MANAGEMENT
UNIT 29351
APO AE 09014

REPLY TO
ATTENTION OF

05 SEP 1997

AEAGF-IA

MEMORANDUM FOR

Commander, Army and Air Force Exchange Service, Europe (AAFES-EUR), Unit 24580, APO AE 09245
Commander, Army Material Command-Europe (AMC-E), Unit 29331, APO AE 09266
Commander, Defense Contract Management Command Balkans (DCMC), ATTN: CPT Gregg, CO: Brown & Root (DCMC), OJG, APO AE 09793
Commander, United States Air Force in Europe (USAFE), Unit 29351, APO AE 09014
Commander, Military Transportation and Movement Command (MTMC-E), APO AE 09715
Commander, Defense Logistics Agency-Europe, Unit 29263, APO AE 09096
Regional Director, USO - Atlantic Region, ATTN: Therese Segler, Unit 29623, APO AE 09096

SUBJECT: Roles & Responsibilities for Seeking Refund of Value Added Tax (VAT) in the Republic of Hungary

1. References:

a. Appendix 3 (Finance Support) to Annex E (Personnel and Administration) to USAREUR OPORD 4246 Operation Joint Guard.

b. "Agreement between the Government of the United States of America and the Government of the Republic of Hungary Concerning the Activities of U.S. Forces in the Territory of the Republic of Hungary ," signed 14 May 1997 and its Annex, "Implementing Procedures on Financial Matters," (hereinafter referred to as "Omnibus Agreement").

2. Purpose: This Memorandum establishes roles and responsibilities of the U.S. Government agencies seeking tax refunds in Hungary in accordance with the "Omnibus Agreement." This Memorandum is also in accordance with Appendix 3 to Annex E of OPORD 4246, which assigns responsibility to the 266th Finance

Command "to provide necessary finance and accounting services in support of the deployed mission."

3. Scope: This Memorandum establishes roles and responsibilities for all U.S. Government agencies and authorized organizations whose purchases in Hungary include VAT or other taxes at point of sale and are entitled to refund under the provisions of the Omnibus Agreement. Appendix A, "Lessons Learned From Previous Submissions;" Appendix B, "Submitting VAT Refund Requests" Flow Charts; Appendix C, "HQ USAREUR Office of the Staff Finance and Accounting Officer Policy and Procedures for Collection of Value Added Tax (VAT) Refunds in Hungary," and Appendix D, the Omnibus Agreement are vital enclosures to this Memorandum.

4. Roles and Responsibilities:

a. Headquarters, United States Army, Europe (USAREUR)

(1) Deputy Chief of Staff, Resource Management (DCSRM), will:

(a) Assist the U.S. Embassy in Budapest in drafting and negotiating any modification to the Omnibus Agreement or future agreements impacting USAREUR or Operation Joint Guard, for which the Army is executive agent on financial matters.

(b) Prepare and disseminate all policy, procedural or agreement changes as established between U.S. and Hungarian officials to the relevant U.S. Government agencies and contractors involved in tax refunds.

(c) Resolve any outstanding issues between the United States and Hungarian officials on policy or procedures for collection, consolidation, and transmittal of tax refund requests to the Hungarian tax officials.

(d) Provide fund cite to 266th FINCOM for refund of Operation Joint Guard funds from the Hungarian officials.

(e) Maintain files of all policies, procedures, and agreements concerning tax refund to the U.S. Government from the Government of Hungary.

(f) Maintain copies of "Hungarian Rules of Law in Force," as provided by Hungarian officials.

(g) Monitor receipt of all refunds from the Hungarian officials through 266th FINCOM electronic fund transfer (EFT).

(h) Track approval/disapproval amounts and percentages for all HQ USAREUR monthly refund requests. Maintain documented justification of any disapproved refunds. Wherever possible, correct erroneous requests and future refund requests in an effort to achieve 100% approval on refund requests.

(2) 266th Finance Command (266th FINCOM) will ensure affected organizations comply with policies and procedures at Appendix C.

(3) United States Army Contracting Command, Europe (USACCE) will:

(a) Insure all invoices received through the Contracting Command are proper invoices containing: company name and tax ID number, invoice date and number, VAT percentage and amount clearly indicated, and purchaser listed as U.S. Forces in accordance with Paragraph 5 of the Annex, "Implementing Procedures on Financial Matters."

(b) Submit only proper invoices to 266th FINCOM for payment.

(c) Insure all companies present in the territory of the Republic of Hungary solely to support activities of the United States Forces are operating exempt from all taxes (corporate, payroll, VAT and other) and are identified as tax exempt companies to the proper Hungarian authorities in accordance with Article XI of the Omnibus Agreement.

(4) Deputy Chief of Staff for Engineering (DCSENG) will:

(a) Advise NSE FWD, Real Estate Office of policy and procedures for VAT refund for real estate lease payments which require that lessors submit proper invoices containing: company name, tax ID number, invoice date and number, VAT percentage and amount clearly indicated, and purchaser listed as U.S. Forces in accordance with paragraph 5 of the Annex "Implementing Procedures on Financial Matters."

(b) Direct NSE (FWD), Real Estate to obtain and submit monthly invoices for VAT refund to 266th FINCOM (Taszar Finance Office) with certification memo for lease payments effective date.

(c) Direct NSE (FWD) Real Estate to consult with Office of Judge Advocate on follow on actions with lessors who are unwilling or unable to submit proper invoices.

b. U.S. Government Agencies and Authorized Organizations Seeking Tax Refund will:

(1) Insure all invoices received through their organization are proper invoices containing: company name and tax ID number, invoice date and number, VAT percentage and amount clearly indicated, and purchaser listed as U.S. Forces or U.S. Forces by: (Contractor) in accordance with Paragraph 5 of the Annex, "Implementing Procedures on Financial Matters."

(2) Submit prompt and accurate spreadsheet and proper original invoice submissions according to guidance provided by 266th FINCOM.

(3) Pay particular heed to lessons learned from previous submissions (see Appendix A) to avoid making the same mistakes.

(4) For DOD Agencies other than Department of the Army, submit fund cite and fund refund instructions to 266th FINCOM in order to receive tax refund.

(5) In accordance with Paragraph 6 of the Annex, "Implementing Procedures on Financial Matters," promptly comply with requests from Hungarian officials for further information necessary for tax investigation through 266th FINCOM.

5. Request confirmation of receipt of this Memorandum by phone, fax, or email to the POC listed below.

6. Point of contact at HQ USAREUR/7A is Debra Gold, DSN 370-6242/FAX DSN 370-4002, email goldd@hq.hqusareur.army.mil or Bill Kelley DSN 370-7918.

FOR THE DEPUTY CHIEF OF STAFF, RESOURCE MANAGEMENT:

3 Encls

RAYMOND J. LEVY
Chief, Agreements Division

CF (w/ encls):
Commander,
HQ USAREUR/7A, Unit 29351, ATTN: DCSENG, APO AE 09014
HQ USAREUR/7A, Unit 29351, ATTN: DCSIM, APO AE 09014
HQ USAREUR/7A, Unit 29351, ATTN: DCSOPS-ACES, APO AE 09014
HQ USAREUR/7A, Unit 29351, ATTN: PARC, APO AE 09014
HQ USAREUR/7A, Unit 29351, ATTN: DCSRM-Budget, APO AE 09014
✓ 266th FINCOM, ATTN: AEAFC-FAD-A, Unit 29001, APO AE 09007

Appendix A

Lessons Learned From Previous Submissions

According to lessons learned from previous submissions, take care to avoid the following mistakes:

- Companies with a tax id code containing the number "1" (one) in the ninth digit, i.e. xxxxxxxx-1-xx are VAT exempt. No VAT tax should be indicated for these companies.
- VAT tax rates are either 12%, 25% or exempt. VAT tax rates for a single invoice may be between 0-25% in cases where different portions of the goods and services were taxed at 12% or 25% or were exempt. Provide a calculated column on the spreadsheet indicating the VAT %. Use this column to check that no reimbursement requests are above 25%. Recheck any individual invoices that show up on your spreadsheet with VAT % between 0% and 25% and not 12% to insure that these are indeed invoices with mixed VAT percentages and not merely errors.
- VAT tax is 25% for all goods and services, except,
  - VAT tax is 12% for common items such as pharmaceutical products and delivery fees.
  - VAT tax is exempt for common items such as: exported goods, intellectual services performed by an individual (i.e. - self-employed translators).
- To calculate the VAT portion of a bill, take 20% of the total billed amount on invoices with 25% VAT rates. Take 10.71% of the total billed amount on invoices with 12% VAT rates.

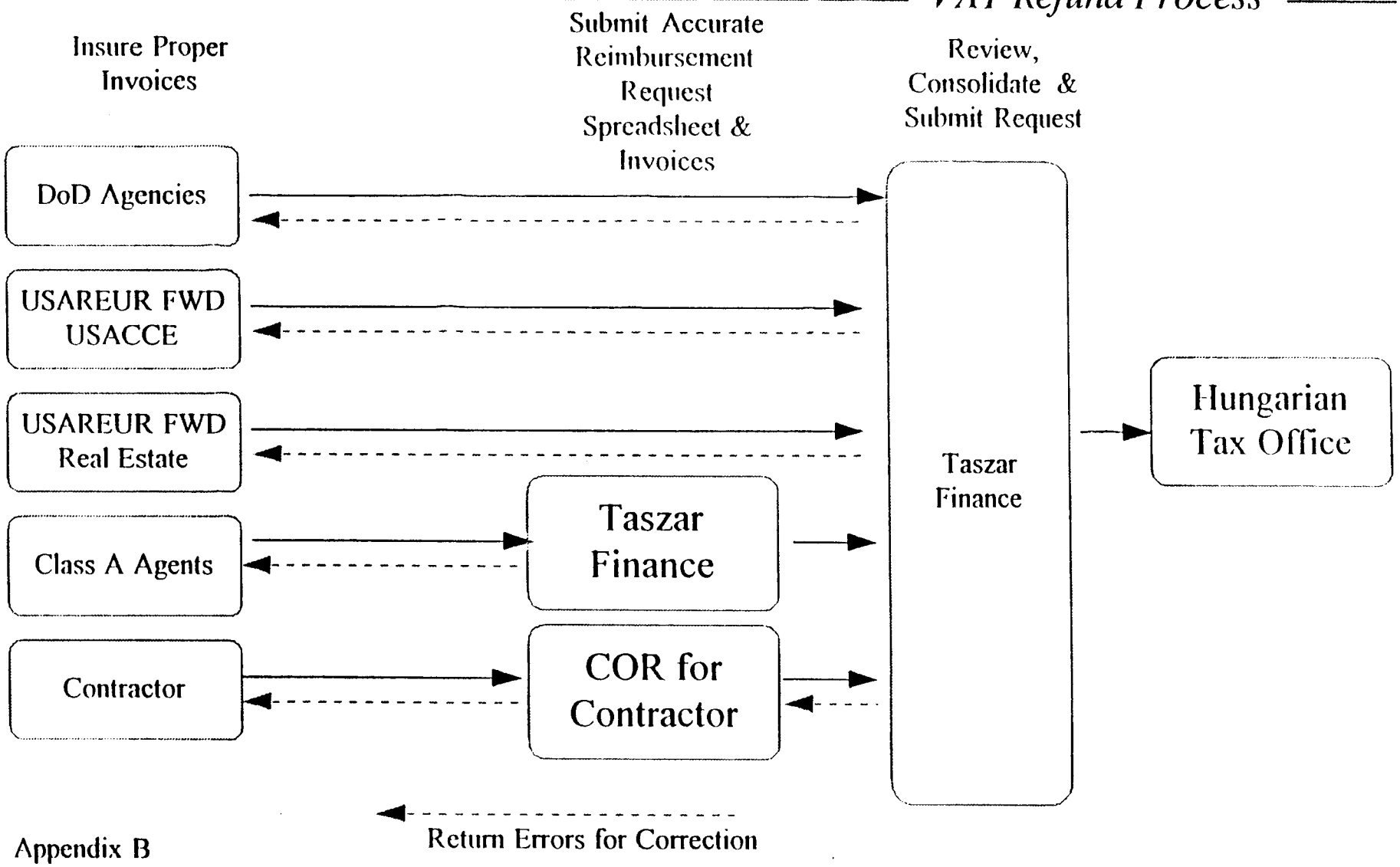
For example, if your total invoice is for HUF 100 and the invoice indicates 25%:

HUF 100 x 20% = HUF 20.
The invoice net of VAT is HUF 80, the VAT is HUF 20 (25% of HUF 80) and the total invoice is HUF 100.

- Provide your spreadsheet submission in Hungarian Forint currency.
- Review your spreadsheet to insure that no transactions are listed twice.
- Proper invoices should contain:
  - Company Name and Tax Id Number
  - Invoice Date and Invoice Number
  - VAT Percentage and Amount Clearly Indicated
  - Purchaser as U.S. Force or U.S. Forces by (Appropriate Contractor), in accordance with Paragraph 5 of the Annex, "Implementing Procedures on Financial Matters."
- Cash register receipts are not proper invoices.
- Leased personal property should not contain 25% VAT.
- Leased commercial real property contains 25% VAT. This VAT will only be reimbursed upon submission of proper invoices and spreadsheets.

Submitting Refund Requests

VAT Refund Process

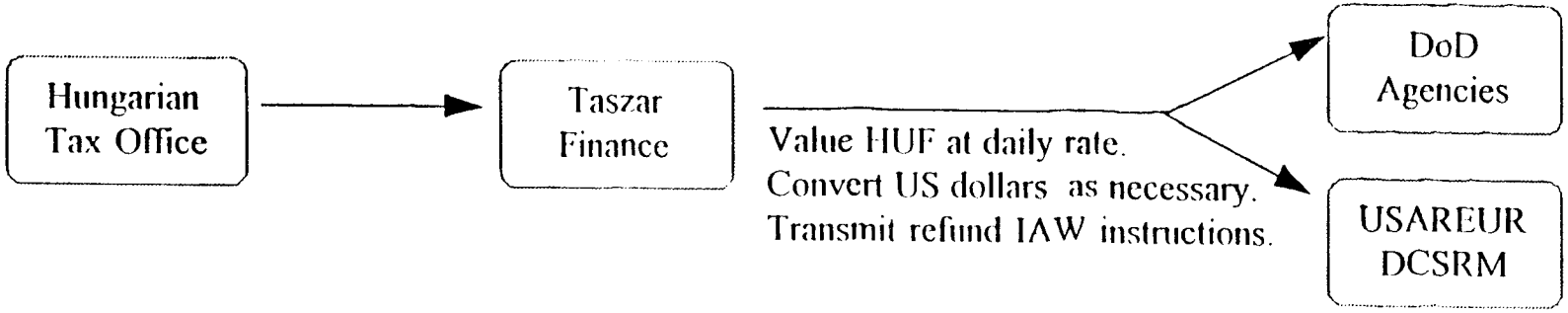


Appendix B

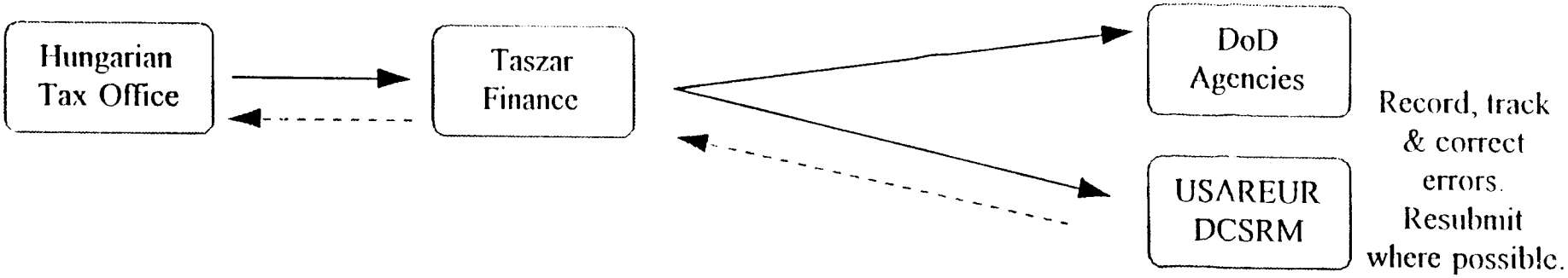
Receiving Refunds

VAT Refund Process

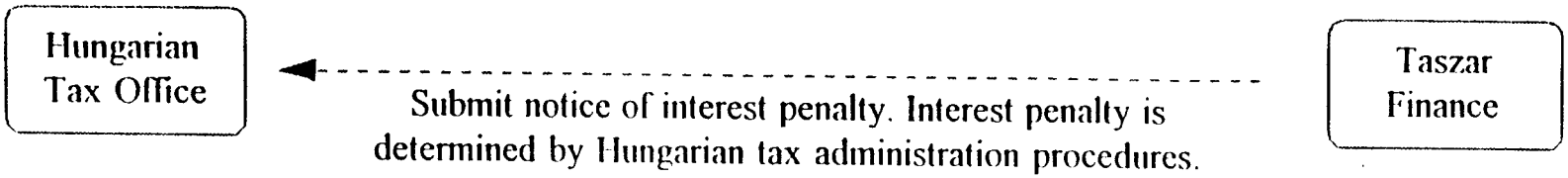
APPROVED Refunds- Spreadsheet & invoices approved and returned, EFT.



DISAPPROVED Refunds- Spreadsheet & invoices disapproved and returned.



LATE Refunds- Hungarian Tax Office Does Not Reimburse in 30 days..



Appendix B

Appendix C

HQ USAREUR, Office of the Staff Finance and Accounting Officer

Policy and Procedures for Collection of Value Added Tax (VAT)

Refunds from Hungary

1. General.

a. VAT collections are refunds for overpayments from appropriated funds (APFs) and nonappropriated funds (NAFs).

b. VAT refunds may be collected into APF for overpayments to U.S. contractors under cost reimbursement contracts and the following conditions:

(1) The contractor is present in the territory of the Republic of Hungary solely to support activities of the U.S. Forces (e.g., USAREUR), as stated in Article 4.2 of the Omnibus Agreement.

(2) The contractor paid VAT to Hungarian vendors as a result of that work.

(3) The contractor billed the U.S. Government agency (e.g., USAREUR) for cost of VAT as a reasonable, allocable, and allowable cost.

(4) The contractor received payment from the U.S. Government agency (e.g., USAREUR) as a traceable direct cost of the cost-reimbursement contract.

Contract agencies and administrators must ensure contract terms and conditions support above conditions for VAT refunds into appropriated funds and requests for VAT refunds by U.S. contractors are IAW those conditions.

c. For APF, VAT refunds will be collected into the fiscal year and appropriation for of the APF payment.

d. For NAF, VAT refunds will be collected into NAF.

e. For other organizations that have been authorized tax refunds, those refunds will be processed IAW procedures in Appendix C.

f. When received via electronic fund transfer (EFT), VAT refunds will be deposited into the local depository account for Hungarian Forint (HUF) and valued at the daily rate. VAT and other tax refunds will be recorded against the Disbursing Officer-General Fund Clearing Account (21F3875.0111) reflecting tax refund collections and disbursements to authorized accounts at a later date. Gains and deficiencies on exchange transaction will be reflected in HQDA Deposit Fund Account (21*6763).

2. *Procedures.*

a. APF Funding. HQ USAREUR, Office of Deputy Chief of Staff, Resource Management (ODCSRM) is the executive agent for centralized funding of purchases by U.S. Government agencies. Fuel purchases by DFRE, DLA is an exception to centralized USAREUR APF funding. Non-USAREUR APF agencies will request funds from HQ USAREUR, ODCSRM via Military Interdepartmental Purchase Request (MIPR-DD Form 448) and ODCSRM will accept funding requests by direct USAREUR fund cite (Category II, DD Form 448-2).

b. Contracting. United States Army Contracting Command, Europe (USACCE) is the primary contracting agency in Hungary for goods and services other than fuel. DLA-E (DFRE) will continue to contract for fuel. Contracting agencies will ensure conditions of paragraph 1b above are satisfied before U.S. contractors (e.g., Brown and Root) submit requests for VAT refund.

c. Spreadsheet and Supporting Documentation for VAT Refund Request Submission.

(1) Spreadsheet data elements and original invoice will be completed IAW the Omnibus Agreement at Appendix D.

(2) Organizations Responsible for Completing Spreadsheet Requirements:

(a) U.S. Contractors/Contract Administrators. Contract administrators who are managing cost reimbursement contracts with U.S. contractors (e.g., Brown and Root, Sprint, BDM) will ensure compliance with paragraph 1b above for all VAT requests earmarked for collection into APF. Contract administrators will also ensure VAT spreadsheets, disks, and original invoices are prepared by the contractor IAW Omnibus agreement and submitted monthly by the contractor to the 266th FINCOM designated office. HQ USAREUR, ODCSRM will provide the accounting classification(s) by fiscal year(s) for VAT refund collections.

(b) NAF (AAFES). Commander, AAFES-EUR, will ensure VAT requirements for spreadsheets, disks, and original invoices are prepared IAW the Omnibus agreement and submitted monthly to the 266th FINCOM designated office.

(c) APF - DLA-Europe (DFRE). Commander, DLA-E will ensure VAT requirements for spreadsheets, disks, and original invoices are prepared IAW the Omnibus Agreement and submitted monthly to the 266th FINCOM designated office. DLA-E will provide accounting classification(s) by fiscal year for transfer of VAT refund from the 266th FINCOM clearing account to DLA-E.

(d) APF other than DLA (DFRE). USACCE and USAREUR FWD Real Estate Office will ensure VAT requirements for spreadsheets, disks, and original invoices are IAW with Omnibus Agreement and submitted monthly to 266th FINCOM designated office. HQ USAREUR, ODCSRM will provide accounting classification(s) by fiscal year(s) for transfer of VAT refund from 266th FINCOM clearing account to USAREUR appropriation(s).

(e) Other Organizations. Other organizations that have been authorized refunds will ensure VAT and other tax requirements for spreadsheets, disks, and original invoices are IAW the Omnibus Agreement and submitted monthly to 266th FINCOM designated office.

(3) Consolidation. Organizations identified in subparagraph 2c(2) (a-d) above will submit monthly spreadsheets, computer disks and original invoices to 266th FINCOM designated office for consolidation and submission of VAT refund requests to the appropriate Hungarian governmental agency.

(4) 266th FINCOM designated receiving and paying office will:

(a) Establish EFT procedures with the appropriate Hungarian governmental agency.

(b) Receive and review spreadsheets, disks and original invoices for completeness.

(c) Submit monthly consolidated VAT request to the appropriate Hungarian agency.

(d) Process collections and disbursements for VAT and other qualifying taxes IAW Paragraph 1f, Appendix C.