

## CLIENT ALERT

### Tough (Tax) Break: Federal Tax Delinquency and Felony Convictions Could Bar Corporations from Awards

Oct.05.2016

The FAR Council published a [final rule](#) on September 30 that, effective immediately, adopts an [interim rule](#) that requires any corporation responding to a federal solicitation to represent whether it has (1) any unpaid federal tax liability that has been assessed and is not being appealed or paid in a timely manner or (2) a felony conviction under any federal law within the preceding 24 months. As further explained [here](#), any affirmative disclosure would create an automatic bar against contract award, unless the agency's suspension and debarment official has considered the matter and determined that further action is not necessary to protect the government's interests.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

**Lorraine M. Campos**

Partner – Washington, D.C.

Phone: +1 202.624.2786

Email: [lcampos@crowell.com](mailto:lcampos@crowell.com)

**M. Yuan Zhou**

Counsel – Washington, D.C.

Phone: +1 202.624.2666

Email: [yzhou@crowell.com](mailto:yzhou@crowell.com)