

## § 1315.7

CFR 52.213-1 is provided in the Federal Acquisition Regulations (FAR) at 48 CFR part 13, subpart 13.4 “Fast Payment Procedure,” for use when using this fast payment procedure.

### § 1315.7 Discounts.

Agencies shall follow these procedures in taking discounts and determining the payment due dates when discounts are taken:

(a) *Economically justified discounts.* If an agency is offered a discount by a vendor, whether stipulated in the contract or offered on an invoice, an agency may take the discount if economically justified (see discount formula in Treasury Financial Manual (TFM) 6-8040.40)<sup>3</sup> but only after acceptance has occurred. Agencies are encouraged to include discount terms in a contract to give agencies adequate time to take the discount if it is determined to be economically justified.

(b) *Discounts taken after the discount date.* If an agency takes the discount after the deadline, the agency shall pay an interest penalty on any amount remaining unpaid as prescribed in § 1315.10(a)(6).

(c) *Payment date.* When a discount is taken, payment will be made as close as possible to, but no later than, the discount date.

(d) *Start date.* The period for taking the discount is calculated from the date placed on the proper invoice by the vendor. If there is no invoice date on the invoice by the vendor, the discount period will begin on the date a proper invoice is actually received and date stamped or otherwise annotated by the designated agency office.

### § 1315.8 Rebates.

Agencies shall determine governmentwide commercial purchase card payment dates based on an analysis of the total costs and total benefits to the Federal government as a whole, unless specified in a contract. When calculating costs and benefits, agencies are expected to include the cost to the gov-

<sup>3</sup>The Treasury Financial Manual is available by calling the Prompt Payment Hotline at 800-266-9667 or the Prompt Payment web site at <http://www.fms.treas.gov/prompt/index.html>.

## 5 CFR Ch. III (1-1-02 Edition)

ernment of paying early. This cost is the interest the government would have earned, at the Current Value of Funds rate, for each day that payment was not made. Agencies may factor in benefits gained from paying early due to, for example, streamlining the payment process or other efficiencies. A rebate formula is provided in § 1315.17 and at the Prompt Payment website at [www.fms.treas.gov/prompt/index.html](http://www.fms.treas.gov/prompt/index.html).

### § 1315.9 Required documentation.

Agencies are required to ensure the following payment documentation is established to support payment of invoices and interest penalties:

(a) The following information from the contract is required as payment documentation:

(1) Payment due date(s) as defined in § 1315.4(g);

(2) A notation in the contract that partial payments are prohibited, if applicable;

(3) For construction contracts, specific payment due dates for approved progress payments or milestone payments for completed phases, increments, or segments of the project;

(4) If applicable, a statement that the special payment provisions of the Packers and Stockyard Act of 1921 (7 U.S.C. 182(3)), or the Perishable Agricultural Commodities Act of 1930 (7 U.S.C. 499a(4)), or Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)) shall apply;

(5) Where considered appropriate by the agency head, the specified acceptance period following delivery to inspect and/or test goods furnished or to evaluate services performed is stated;

(6) Name (where practicable), title, telephone number, and complete mailing address of officials of the Government’s designated agency office, and of the vendor receiving the payments;

(7) Reference to requirements under the Prompt Payment Act, including the payment of interest penalties on late invoice payments (including progress payments under construction contracts);

(8) Reference to requirements under the Debt Collection Improvement Act (Pub. L. 104-134, 110 Stat. 1321), including the requirement that payments must be made electronically except in