

## References

- DFARS CLAUSE 252.226-7001
- DFARS 226.103-104
- FAR CLAUSE 52.226-1
- FAR CLAUSE 26.104

# DoD Office of Small Business Programs Indian Incentive Program



## REBATES OF 5% TO DOD PRIME CONTRACTORS WHEN THEY SUBCONTRACT TO NATIVE-OWNED BUSINESSES

The Department of Defense (DoD) Indian Incentive Program (IIP) is a congressionally sponsored program that provides a 5% rebate to DoD prime contractors on the total amount subcontracted to Indian organizations, Indian-owned economic enterprises, Alaska Native, and Native Hawaiian small business concerns, in accordance with the Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.226-7001.

DoD prime contractors with a subcontract worth \$500,000 or more are eligible for payment.

### PROGRAM BENEFITS

- Serves as an economic multiplier for Native communities by creating an important incentive for prime contractors to subcontract with Native entities
- Assists in the industrial base's expansion to include more Native American-owned businesses
- Promotes a secure and diverse industrial base
- Introduces competition as companies grow and expand their capabilities through partnership with a prime contractor
- Serves as an economic multiplier for Native American communities through generating subcontracts

Annual Funds  
(FY23) **\$25M**

### IIP REBATE PROCESS

- ◆ Prime contractor utilizes Native American, Alaskan, or Hawaiian-owned organization
- ◆ Prime contractor submits required documentation to Contracting Officer (KO) requesting IIP rebate
- ◆ KO submits request w/required documentation to OSBP
- ◆ Contracting activity accepts Military Interdepartmental Purchase Request (MIPR)
- ◆ OSBP initiates payment for MIPR
- ◆ OSBP conducts internal review & verification
- ◆ KO issues contract modification for IIP rebate
- ◆ Prime contractor submits invoice per MIPR
- ◆ Prime contractor receives 5% rebate incentive