

GSA SmartPay[®] Tax Advantage Travel Card Account

The GSA SmartPay[®] Tax Advantage Travel Card Account is a new product offering that combines the features of Centrally Billed Accounts (CBA) and Individually Billed Accounts (IBA) to provide tax exemption at the point of sale for rental cars and lodging charges.



GSA SmartPay Tax Advantage Travel Card Accounts are CBAs issued in the name of the individual card holder

following IBA procedures (e.g., credit-worthiness checks). The Contractor Bank and the Agency / Organization will identify Merchant Category Codes (MCCs) for rental cars and lodging to be excluded from taxes. Since these charges are billed to a CBA for payment, Agencies / Organizations get the advantage of the Government's tax exemption status when the card is used at rental car and lodging vendors. Charges for other travel-related purchases (e.g., meals, incidentals) are diverted from the CBA portion of the account to the IBA portion of account, will still incur tax, and the individual traveler will still be liable for payment to the Contractor Bank for diverted charges.

<p>What are the eligibility requirements to issue GSA SmartPay Tax Advantage Travel Card Accounts?</p> <p><i>(Master Contract Section C.2.1.3)</i></p>	<p>Agencies / Organizations not eligible to utilize IBAs shall not be issued GSA SmartPay Tax Advantage Travel Card Accounts. The combined features of CBAs and IBAs are a key characteristic of this product.</p>
<p>How is the GSA SmartPay Tax Advantage Travel Card Account priced?</p> <p><i>(Master Contract Section B.4.1)</i></p>	<p>The GSA SmartPay Tax Advantage Travel Card Account is a separately-priced item with its own minimum refund (see Contract Line Item Numbers (CLINs) 0042, 1042, 2042, and 3042 and associated subCLINs).</p> <p>When ordering this product, Agencies / Organizations must include these CLINs in the task order level pricing schedule and may negotiate higher refund amounts with Contractor Banks.</p>
<p>What are the differences when setting up the GSA SmartPay Tax Advantage Travel Card Account compared to a normal CBA or IBA travel account?</p> <p><i>(Master Contract Section C.3.3.1.2)</i></p>	<p>The GSA SmartPay Tax Advantage Travel Card Account is established as a Centrally Billed Account (CBA) but issued to an individual designated by the agency / organization in the individual's name.</p> <p>Agency / Organization Program Coordinators (A/OPCs) will work with their Contractor Bank to identify Merchant Category Codes (MCCs) for rental cars and lodging to be excluded from taxes.</p> <p>Accounts shall be established using IBA procedures, to include credit checks or other creditworthiness assessments.</p>

<p>How are charges under the GSA SmartPay Tax Advantage Travel Card Account invoiced?</p> <p><i>(Master Contract Sections C.3.3.1.2 and C.3.3.13.2)</i></p>	<p>The Contractor Bank shall send the individual card holder a Statement of Account for with the charges diverted to the IBA portion of the account. This payment is the responsibility of the individual card holder.</p> <p>The Contractor Bank will also invoice the Agency / Organization payment for the CBA portion of the charges incurred (e.g., rental car, lodging). This payment is the responsibility of the Agency / Organization.</p> <p>Agencies / Organizations must specify any additional elements to be included in Statements of Account and Invoices in the task order level requirements.</p>
<p>Will account numbers differ for GSA SmartPay Tax Advantage Travel Card Accounts?</p> <p><i>(Master Contract Sections C.3.3.6.1 and C.3.3.6.1.1)</i></p>	<p>Yes. The GSA SmartPay Tax Advantage Travel Card Account requires separate prefix(s) and number system.</p> <p>The sixth digit of the account number will be "5" to identify the card as an "IBA/CBA Tax Advantage".</p>
<p>Will the look of the GSA SmartPay Tax Advantage Travel Card differ from a regular CBA or IBA travel card?</p> <p><i>(Master Contract Sections C.3.2.1, C.3.2.2, and Attachment J.3)</i></p>	<p>Yes. This flyer shows the unique card design that was developed for the GSA SmartPay Tax Advantage Travel Card.</p> <p>The front of the card is silver with a darker grey hotel and vehicle outline and the words "Tax Advantage". The front of the card shall include the words "US Government CBA Tax Exempt"¹.</p> <p>All cards have the same design for the back of the card, unless otherwise approved by GSA.</p>
<p>Are there any specific reporting requirements related to the GSA SmartPay Tax Advantage Travel Card Accounts?</p> <p><i>(Master Contract Section C.7.3.2 (d))</i></p>	<p>No. The Center for Charge Card Management (CCCM) will receive data related to GSA SmartPay Tax Advantage Travel Card Accounts as part of the Agency / Organization Refund Data File Report.</p> <p>Agencies / Organization may choose to include a report specific to this product in their task order level requirements.</p>
<p>Is information about the GSA SmartPay Tax Advantage Travel Card Accounts included on the GSA SmartPay website or in GSA SmartPay guides?</p> <p><i>(Master Contract Sections C.4.2.3.1 and C.4.2.3.2)</i></p>	<p>Yes. CCCM has updated the Travel Card Program Guide for A/OPCs to include GSA SmartPay Tax Advantage Travel Card Account information.</p> <p>Contractor Banks are also required to include information on the GSA SmartPay Tax Advantage Travel Card Account in guides for each Agency / Organization that utilizes the product.</p>

¹ Tax exemption is not applicable to taxes charged on airfare or GSA City-Pair Program (CPP) rates.

Have more questions?
Contact us at gsa_smartpay@gsa.gov or (703) 605-2808
Monday - Friday, 8AM - 4PM ET (closed Federal Holidays)