



Office of Industrial Base Growth
Department of War

INDIAN INCENTIVE PROGRAM (IIP)

References

- DFARS CLAUSE 252.266-7001
- DFARS 226.103-104
- FAR CLAUSE 52.226-1
- FAR CLAUSE 26.104

**5% REBATE ISSUED WHEN
DOW PRIME CONTRACTORS
SUBCONTRACT TO
NATIVE OWNED BUSINESSES**

The Department of War (DoW) Indian Incentive Program (IIP) is a congressionally sponsored program that provides a 5 percent rebate to DoW prime contractors on the total amount subcontracted to Indian Organizations, Indian-Owned Economic Enterprises, Alaska Natives, and Native Hawaiian Small Business Concerns, in accordance with the Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.226-7001. DoW 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 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 the companies are able to grow and expand their capabilities by partnering with a prime
- Through the generation of subcontracts, the IIP serves as an economic multiplier for Native American communities

Annual Funds (FY 24) **\$25M**

IIP REBATE PROCESS

- Prime Utilizes Native American/Alaskan/Hawaiian Owned Organization
- Prime Submits Required Documentation to Contracting Officer (KO) Requesting IIP Rebate
- KO Submits Request w/Required Documentation to IBG
- Military Interdepartmental Purchase Request (MIPR) Accepted by Contracting Activity
- MIPR for IIP Payment is Initiated
- Internal Review & Verification (by IBG)
- Contract Modification Issued for IIP Rebate by KO
- Prime Submits Invoice per MIPR Instructions
- Prime Receives 5% Rebate Incentive



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