



Federal Acquisition Service
Center for Charge Card Management

GSA SMARTPAY® SMART BULLETIN

U.S. GENERAL SERVICES ADMINISTRATION
FEDERAL ACQUISITION SERVICE
SMART BULLETIN NO. 002

Micro-purchase Threshold Limits

EFFECTIVE DATE: From Issuance until superseded

UPDATE:

Date	Version History Action Log - Summary of Action/Changes
November 14, 2023	Re-written to reflect current information for the micro-purchase threshold, in accordance with the Federal Acquisition Regulation and applicable United States Code.

INTRODUCTION:

In accordance with the [Federal Acquisition Regulation \(FAR\) Subpart 13.2 - Actions At or Below the Micro-Purchase Threshold](#), "The Governmentwide commercial purchase card shall be the preferred method to purchase and to pay for micro-purchases." The purpose of this GSA SmartPay® Smart Bulletin is to provide information to charge card managers, cardholders, and stakeholders about the government micro-purchase threshold.

BUSINESS LINE(S) AFFECTED: Purchase, Integrated

DEFINITION:

In accordance with [FAR 2.101 Definitions](#), a "Micro-purchase means an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold." The micro-purchase threshold limit is established in [FAR 2.101 Definitions](#). Convenience checks may not be issued for

an amount in excess of one half of the micro-purchase threshold under [41 U.S.C. chapter 12, Simplified Acquisition Procedures](#).

EXCEPTIONS:

[FAR 2.101 Definitions](#) establishes the micro-purchase threshold limit. However there are exceptions to this limit, which are each defined and the threshold is established in the definition of *micro-purchase threshold* in [FAR 2.101 Definitions](#). These include the following:

- **Construction:** Defined under *construction* and subject to [40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements](#).
- **Services:** Subject to [41 U.S.C. chapter 67, Service Contract Labor Standards](#).
- **Contingency Operations:** Defined under *contingency operations* and [10 U.S.C. 101, Definitions](#). Please see [FAR 2.101 Definitions](#) for micro-purchase limits for purchases within the United States and purchases made outside of the United States.
- **Higher Education:** Acquisitions of supplies or services from institutions of higher education or related or affiliated nonprofit entities, or from nonprofit research organizations or independent research institutes.

POTENTIAL AGENCY ACTION:

Agencies are not required to designate purchase limits at the maximum micro-purchase limits established by the FAR. Instead, agencies should consider evaluating current procurement needs, established spending controls, and current purchase card spending limits to determine whether or setting spending limits at the micro-purchase threshold is required to meet the needs of an agency.

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For questions related to this Smart Bulletin, please contact the GSA SmartPay Team via email at gsa_smartpay@gsa.gov.

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