

AviTaxes & Accounting Solutions
Bilingual Tax, Bookkeeping & Business Guidance



Contractor & Small Business Government Contract Starter Kit

2026 Edition

“Land Your First Government Contract — Even If You’ve Never Bid Before.”

Module 1 — Government Contracting Foundations

What Is Government Contracting?

Government contracting is when federal, state, or local agencies purchase products or services from private businesses. The U.S. government is the largest buyer in the world, spending billions annually on construction, cleaning, trucking, IT, and maintenance. If a business is legitimate and structured, it can compete for this money.

Figures in this guide (rates, fees, thresholds) are current as of September 2026. These change — verify current figures before acting on a specific number.

The 3 Levels of Government Contracts

- Federal Contracts — managed through SAM.gov and SBA.gov. Larger, more competitive, and paperwork-heavy. Ideal for experienced small businesses.
- State Contracts — found on each state's procurement portal. Easier entry point with moderate competition.
- Local / City / County Contracts — smaller, faster approval, less competition. Great for beginners (janitorial, landscaping, repairs, etc.).

Understanding Contract Sizes

Tier	Current Threshold (2026)
Micro-Purchase	Under \$15,000 — no formal bidding, fast approval
Simplified Acquisition	Up to \$350,000 — simplified rules, limited competition
Large Contracts	Over \$350,000 — full proposals, complex compliance

Set-Aside Contracts

Set-asides reserve contracts for small and disadvantaged businesses:

- Small Business
- Women-Owned (WOSB)
- 8(a) — for individually-owned businesses that can document social and economic disadvantage (evidence-based standard as of Sept. 2026), or for qualifying Tribal, Alaska Native Corporation, Native Hawaiian Organization, or Community Development Corporation-owned businesses
- Veteran-Owned (VOSB) / Service-Disabled Veteran-Owned (SDVOSB) — certified through SBA's VetCert program
- HUBZone — for businesses located in historically underutilized business zones

These programs increase small business opportunities.

Payment Terms

Government contracts are required by law (the Prompt Payment Act) to be paid within 30 days of a proper invoice — and the government owes automatic interest if payment is late. On construction contracts, prime contractors must pay subcontractors within 7 days of receiving the government's payment. Payments are reliable but still require cash flow management in the meantime.

Basic Requirements

- Registered business (LLC or Corporation)
- EIN
- Business bank account
- SAM.gov registration
- NAICS codes
- Capability statement

No political connections required — only structure and consistency.

Common Myths

- “Only big companies win.” — False.
- “You need connections.” — False.
- “It takes years to win.” — False.
- “You need perfect credit.” — False.

Small businesses win daily.

Beginner Strategy

1. Start local
2. Target micro-purchases
3. Build past performance
4. Scale to larger bids
5. Expand federally

Module 2 — Registration & Compliance Setup

Preparation Checklist

Before registering, have ready:

- Legal business entity
- EIN
- Business bank account
- Address, phone, email
- Service description
- NAICS codes

What Is SAM Registration?

SAM.gov (System for Award Management) is the official federal vendor database. It's required for bidding on contracts, receiving payments, and set-aside eligibility. Registration is free.

UEI Number

The UEI (Unique Entity Identifier) replaced the old DUNS number and is automatically assigned during SAM registration.

Step-by-Step SAM Registration

1. Create a Login.gov account
2. Start “Register Entity” in SAM.gov
3. Enter business info (must match IRS records exactly)
4. Select NAICS codes
5. Complete the Reps & Certs section
6. Add banking info
7. Submit and wait for activation — typically 7–14 business days when submitted cleanly; IRS name mismatches or missing details can add several weeks

Common Mistakes

- EIN mismatch with IRS records
- Wrong or non-standard address format
- Incorrect NAICS codes
- Missing certifications
- Banking errors

State & Local Registration

Also register with:

- State procurement portals
- City purchasing departments
- County vendor systems
- School district vendor lists

Compliance Checklist

- Active SAM status
- Correct NAICS codes
- Capability statement ready
- Business insurance
- W-9 form
- Proposal template

Renewal

Renew SAM registration annually. Expired accounts cannot receive payments.

Module 3 — Capability Statement Kit

What Is a Capability Statement?

A one-page business resume used to introduce your company to agencies and support bids. It must be clear, professional, and concise.

Required Sections

1. Company Overview
2. Core Competencies
3. Past Performance
4. Differentiators
5. Company Data
6. Contact Information

Fill-In Template

Company Overview:

[Company Name] is a [type] providing [services] to government agencies. Committed to quality, safety, and on-time delivery.

Core Competencies:

- Service 1
- Service 2
- Service 3

Past Performance:

Project – Client – Year. Brief description of work.

Differentiators:

- Fast response
- Licensed & insured
- Minority-owned
- 24/7 availability

Company Data:

UEI: ____ CAGE: ____ NAICS: ____ Certifications: ____

Contact:

Name | Title | Phone | Email | Website

Design Tips

- One page

- Two-column layout
- Clean fonts
- Blue, gray, white color scheme

Strategic Use — Send To

- Procurement officers
- Small business specialists
- City purchasing managers
- Networking events

Email Template

Subject: Introduction – [Company Name] – [Service Type]

Hello [Name], my name is [Your Name], owner of [Company Name]. We're registered in SAM.gov and specialize in [services]. Attached is our capability statement for your review. Thank you for your time. Best regards, [Name]

Checklist

- One page
- Clear contact info
- NAICS & UEI listed
- No grammar errors
- Saved as PDF

Module 4 — Finding & Targeting Contracts

Where to Search

- Federal: SAM.gov
- State: state procurement portals
- Local: city, county, and school district websites

Micro-Contract Strategy

Contracts under \$15,000 can be awarded directly. Steps:

1. Identify local agencies
2. Call purchasing departments
3. Email your capability statement
4. Follow up monthly

Analyzing Opportunities

Before bidding, confirm:

- Within your NAICS codes
- Meets insurance requirements
- Realistic timeline
- Competitive pricing

Competitor Research

Use USAspending.gov to find past winners, award amounts, and active agencies.

Build a Target List

Spreadsheet columns: Agency | Contact | Email | Phone | Services | Last Award

Outreach Script

“Hello, my name is [Name], owner of [Company]. We're a registered small business offering [services]. Who can I send our capability statement to?”

Module 5 — Proposal & Bidding System

Solicitation Types

- RFQ: Request for Quote (simple) — start here
- RFP: Request for Proposal (detailed)
- IFB: Invitation for Bid (formal)

Proposal Structure

1. Cover Page
2. Scope Understanding
3. Technical Approach
4. Pricing Table
5. Company Info
6. Certifications
7. Signature

Proposal Template

Cover Page: Proposal for [Project Name], submitted by [Company Name].

Scope Understanding: We understand the agency requires [services].

Technical Approach: Our team will deliver quality, safety, and compliance.

Pricing Table: Service | Qty | Unit Price | Total — with a grand total line.

Common Mistakes

- Missing forms
- Late submission
- Ignoring instructions
- Underpricing

Follow-Up

“Hello, confirming our proposal was received and asking about the award timeline.”

Module 6 — Certifications & Set-Asides

Why Certifications Matter

Certifications unlock exclusive contracts and increase visibility.

Main Programs

- Small Business Set-Aside — for SBA-qualified small firms
- WOSB — 51% women-owned
- 8(a) — for individually-owned firms that document social and economic disadvantage (evidence-based standard, updated Sept. 2026), or qualifying Tribal/ANC/NHO/CDC-owned entities
- VOSB / SDVOSB — veteran-owned / service-disabled veteran-owned, certified through SBA's VetCert program
- HUBZone — located in underutilized areas

Application Checklist

- Active SAM registration
- EIN & formation documents
- Proof of ownership
- Tax returns
- Operating agreement
- Employee list (HUBZone)

Where to Apply

- SBA.gov → WOSB, 8(a), HUBZone
- SBA VetCert (certify.sba.gov) → VOSB / SDVOSB
- State portals → local certifications

Certification Strategy

1. Small Business (automatic)
2. State-level certifications
3. Federal certifications

Update all marketing materials once approved.

Maintenance

Renew certifications every 1–3 years. Keep documents current and respond promptly to SBA requests.

Ready for Hands-On Help?

This guide gives you the roadmap — but registration, capability statements, and your first few bids go faster with someone who's done it before. AviTaxes & Accounting Solutions offers bilingual (English/Spanish) guidance on the tax, compliance, and documentation side of government contracting, including help preparing the evidence now required for 8(a) applications.

Book a Consultation

Visit www.avitaxes.com/contact or email avitaxes@gmail.com to talk through your specific situation — from your first SAM.gov registration to your first bid.