

## REQUEST FOR QUOTES

### Foreign Tax Agent Services - India

Date Issued:	March 6, 2020
Questions Due:	March 20, 2020
Proposal Submission:	April 13, 2020
Responses Due by:	3:00pm EST

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[www.state.nj.us/treasury/doinvest](http://www.state.nj.us/treasury/doinvest)

## I. PURPOSE AND INTENT

The purpose of this Request for Quotes (RFQ) is to solicit bid proposals from advisors/agents for tax compliance services related to the intended investment in the local Indian securities market by various pension funds of the State of New Jersey (State), whose assets are managed by the Division of Investment, Department of the Treasury, State of New Jersey (DOI). The intent of this RFQ is to award a five-year contract, with the option of two additional one-year extensions, to a qualified bidder to serve as the DOI's Tax Filing Agent (TFA).

## II. MINIMUM REQUIREMENTS

1. Bidder(s) must be authorized to act as a tax advisor/agent on behalf of foreign clients who invest in the local India securities market.
2. Attached to these specifications is a Price Sheet containing seven (7) line items. Bidder(s) must bid all applicable lines (1-7) in order to be eligible for a contract award. Price lines will remain in effect for the term of the contract and any additional allowable extensions.

## III. PROPOSAL SUBMISSION

Submissions should be marked "Foreign Tax Agent Services RFQ - India" and must be received by the deadline on the cover sheet.

Emailed proposals are preferred. Proposals can be emailed by the deadline listed on the cover sheet to the following email address:

[Gina.Costello@treas.nj.gov](mailto:Gina.Costello@treas.nj.gov)

Hard copy submissions, if desirable, must include an original and three (3) copies and must be received by the deadline on the cover sheet. Mail submissions may be sent to the following addresses:

Overnight Mail:

NJ Division of Investment  
Department of the Treasury  
50 West State Street, 9th Floor  
Trenton, NJ 08608  
Attn: Gina Costello

Regular Mail:

NJ Division of Investment  
Department of the Treasury  
P.O. Box 290  
Trenton, NJ 08625-0290  
Attn: Gina Costello

NOTE: In order to be awarded a contract with the DOI, all required forms listed in Subsection 1 of Section XI - Forms, must be completed and submitted with the proposal.

The Bidder's proposal and all information submitted by Bidders in response to this RFQ may be released to the public under the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq., ("OPRA") or the common law right to know, notwithstanding any disclaimers to the contrary submitted by a Bidder, except as may be exempted from public disclosure by OPRA and the common law.

Communications with representatives of the State concerning this request by you or on your behalf are not permitted during the submission and selection processes.

No telephone inquiries will be accepted. All inquiries concerning this request should be directed in writing to: [Gina.Costello@treas.nj.gov](mailto:Gina.Costello@treas.nj.gov)

The State will not be responsible for any expenses in the preparation and/or presentation of the proposals and oral interviews or for the disclosure of any information or material received in connection with the solicitation, whether by negligence or otherwise.

The State reserves the right to reject any and all proposals, with or without cause, and waive any irregularities or informalities in the proposals. The State further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all parties submitting proposals. In the event that all proposals are rejected, the State reserves the right to re-solicit proposals.

#### IV. GENERAL INFORMATION

The DOI was created by the New Jersey Legislature in 1950. An important objective of the statute creating the DOI was to centralize all functions relating to purchases, sales or exchanges of securities for the State's diverse funds under experienced and professional management.

As of December 31, 2019, total assets under DOI management totaled approximately \$93.1 billion (unaudited), which is comprised of the State's Pension Funds, Cash Management Fund, and various other funds. The DOI manages the assets of certain pension funds through the use of common trust

funds, including the State of New Jersey Common Pension Fund D, a common trust fund which invests in global equities and fixed income securities.

State law created the State Investment Council (“the Council”) and the Board of Trustees of the Police and Firemen’s Retirement System of New Jersey (the “Board”) to formulate policies governing the investment of funds by the Director of DOI, and consult with the Director with respect to the work of the Division. New regulations adopted by the Council and the Board are filed with the Office of Administrative Law and published in the New Jersey Register for public comment prior to adoption.

Implementation of investment policies is vested in the Director of the DOI. The Director is subject to the standards of prudent investment set forth in N.J.S.A. 52:18A-89.

The legal entities that will invest in the Indian securities market are: the State of New Jersey Common Pension Fund D and the State of NJ Police & Firemens Retirement System (the Funds). Each of the Funds will have multiple operating subaccounts that may transact in the local Indian market under a multi-investment manager (MIM) structure; these subaccounts are managed internally and by external advisers that may execute transactions in the local market on behalf of the Funds. The purpose of the operating subaccounts is solely to track performance and they are not separate legal entities.

V. SCOPE OF SERVICES

1. Application / Registration

- a. The Contractor shall prepare and file all registration forms or applications required to obtain individual Permanent Account Number (PAN) cards for the State of New Jersey Common Pension Fund D and the State of NJ Police & Firemens Retirement System.
- b. The Contractor shall prepare and file all other applicable registration forms or applications with the relevant local authorities.

2. Tax Compliance

- a. The Contractor shall calculate all capital gains tax liabilities for each Foreign Portfolio Investor (FPI) on either a per-transaction basis or on an installment basis, as instructed by the DOI or the local sub-custodian.
- b. If applicable, the Contractor shall notify the local sub-custodian of capital gains tax liability installment amounts and deadlines.
- c. The Contractor shall continually advise the DOI in a timely manner and as applicable, of all changes to Indian tax law and/or regulations.

3. Tax Filing and Assessment Proceedings

- a. The Contractor shall prepare and file annual tax returns on behalf of all applicable FPIs. Contractor shall claim refunds for overpaid capital gains tax when the annual tax return is filed.
- b. The Contractor shall initiate and complete the process to reclaim all excess taxes paid on behalf of all applicable FPIs.
- c. The Contractor shall review tax assessments issued to the FPIs and provide instruction for appropriate and necessary actions for any assessment or non-assessment notices.
- d. At the direction of DOI, the Contractor shall make representations to the appropriate authority in connection with any tax assessment.

- e. The Contractor shall work with DOI's local sub-custodian to facilitate the payment of applicable taxes.

4. Appeal Proceedings

- a. The Contractor shall assist in the preparation of any appeal filings for DOI's review and shall submit appeal filings to the appropriate authority.
- b. At the direction of DOI, the Contractor shall make representations to the appropriate authority in connection with any appeal.
- c. If necessary, and at the direction of DOI, the Contractor shall assist in the selection and engagement of legal counsel to represent DOI or the Funds before the authorities.

5. Reporting

- a. At the direction of DOI and the sub-custodian, the Contractor shall provide a report for each FPI to DOI and the sub-custodian on an agreed upon schedule. The report shall include the amounts which can be repatriated as well as a calculation of any tax liabilities, which could result from, but are not limited to: purchases and sales of Indian securities made by DOI or its advisers, as well as for taxes resulting from dividends, interest, securities lending, and other income.

6. Special Projects

- a. In order for DOI to fulfill its fiduciary responsibilities for the State's pension funds, the contractor may be required to perform additional scope of work directly related to this RFQ and other services that are relevant but outside the scope of work of this RFQ. If so, such additional work, whether within or outside the scope of work of this RFQ, shall be performed pursuant to a written plan developed by the Contractor and approved by the State Contract Manager. The plan shall include a detailed budget and timeline for performing the requested services. The hourly fee schedule provided by the contractor in the Price Schedule shall be used to compensate the contractor for such services.

## VI. TECHNICAL PROPOSAL

1. Identify any existing or potential conflicts of interest, including the firm's representation of parties or other relationships that might be considered a conflict of interest, that may affect or involve this assignment or the State of New Jersey.
2. Provide a summary of the process, required DOI deliverables and proposed timetable for obtaining individual PAN cards for the State of New Jersey Common Pension Fund D and the State of NJ Police & Firemens Retirement System.
3. Provide a summary of all activities that would result in capital gains or income tax liabilities, i.e. security purchase or sales, dividends, interest, security lending or other.
4. Provide a summary of the process, required DOI deliverables and proposed timetable for the preparation and filing of annual tax returns.
5. Provide a summary of the process, required DOI deliverables and proposed timetable for providing a report on capital gain tax liabilities.
6. Provide a summary of the advantages and disadvantages related to capital gains tax payments on a per-transaction basis versus an installment basis. With regard to the MIM structure, provide a recommendation and explanation as to the optimum payment method.
7. Provide an executive summary of not more than three pages identifying the firm's approach and plans to provide the requested services and substantiating why the firm is best qualified to provide the requested services. Please address what it is that the firm offers to the State that competing firms cannot.
8. Provide a description of resources of the firm (i.e., background, location, experience, staff resources, financial resources, other resources, etc.). Illustrate the software programs used to track transactions and whether information is available by individual operating subaccount or only in the aggregate.
9. Indicate the number of years the firm has been providing the services and how many clients are currently serviced by the firm. Further

indicate the experience of the professionals who would be assigned to the engagement.

10. If the firm, or any principal, director or officer thereof, is now or has in the last three years been a defendant in any litigation involving a sum of USD \$100,000 or more, the subject of any professional disciplinary action, and/or is or has been the subject of any investigation by any regulatory body, the proposal must provide a description of any such investigation, litigation and/or disciplinary action.
11. Provide the name and address of the firm; the name, telephone number, fax number, and e-mail address of the individual(s) responsible for the preparation of this proposal who may be contacted in the event of questions or notification; and the location of the office, if other than that shown above, at which the services to be provided hereunder will be performed.
12. Submit a Price Sheet in the form attached detailing the fees for each of the applicable line items listed.
13. Submit any and all documents that the Contractor will require DOI to execute with respect to this engagement.

## VII. SELECTION PROCESS

All proposals will be reviewed to determine responsiveness. Non-responsive proposals will be rejected without evaluation. Responsive proposals will be evaluated by an Evaluation Committee. The following evaluation criteria categories, separate or combined in some manner, and not necessarily listed in order of significance, will be used to evaluate proposals received in response to this RFQ.

- The firm's approach and plans to perform the services required by the Scope of Services contained in this RFQ.
- The firm's documented experience in successfully completing contracts of similar size and scope to the services required by this RFQ.
- The qualifications and experience of the firm's personnel assigned to the engagement, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the services required by this RFQ.



- The overall ability of the firm to mobilize, undertake and successfully complete the contract. This judgment will include, but not be limited to the following factors: the resources of the firm; the number and qualifications of management, supervisory and other staff proposed by the firm to perform the services required by this RFQ; the availability and commitment to DOI of the firm's management, supervisory and other staff proposed; and the firm's contract management plan.
  
- The firm's cost proposal.

#### VIII. FEES:

Prices shall remain in effect for the duration of the term of the contract and for any mutually agreed upon contract extensions. The State reserves the right to negotiate final price with the Contractor selected to provide the requested services.

#### IX. TERM

The initial term shall be no longer than a five-year period, commencing upon contract award. The term may be extended by up to two additional one-year periods, by the mutual written consent of the Contractor and the DOI, at the same terms, conditions, and pricing at the rates in effect at the end of the last year of the Contract or rates more favorable to the DOI.

#### X. FIRM SELECTION AND CONTRACT

The State will select the proposal(s) deemed most advantageous to the State, price and other factors considered.

The contract between the DOI and the firm(s) shall be comprised of this RFQ, any clarifications thereof, the firm(s) response thereto, any changes negotiated by the parties and the documents listed in Section XI Forms. Such contract can only be modified in a writing signed by both parties.

#### XI. FORMS

##### 1. Forms Required with Proposal

The documents listed below must be completed and submitted with the bid proposal.

- a. Cover Letter
- b. Ownership Disclosure Form
- c. Disclosure of Investment Activities in Iran
- d. Disclosure of Investigations and Other Actions Involving Bidders
- e. Subcontractor Utilization Plan
- f. All contracts and documents which the Contractor requires the DOI to execute.

## 2. Forms Required Before Contract Award

The documents listed below must be completed and submitted prior to contract award.

- a. Waivered Terms and Conditions for Services Contracts
- b. Source Disclosure Certification Form
- c. MacBride Principles and Northern Ireland Act of 1989
- d. Affirmative Action Employee Information Report
- e. Chapter 51 Certification and Disclosure Form
- f. Contractor Certification - Public Law 2005, Chapter 271
- g. Set-Off for State Tax
- h. Proof of Liability Insurance Certificate
- i. NJ Business Registration

Forms can be downloaded from the Department of Treasury website:  
<http://www.state.nj.us/treasury/doinvest/RFQ.shtml>

## XII. MISCELLANEOUS

Notice to Bidders and Contractors Regarding P.L. 2012, c. 4.

“Organ and Tissue Donation: As defined in section 2 of P.L. 2012, c. 4 (N.J.S.A.52:32-33), contractors are encouraged to notify their employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees shall be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. §1320b-8 to serve in this State.”

## PRICE SHEET

NOTE: The legal entities that will invest in the Indian securities market are: State of New Jersey Common Pension Fund D and the State of NJ Police & Firemens Retirement System (the Funds). Each of the Funds have various operating subaccounts that may transact in the local Indian market; these subaccounts are managed internally and by external advisers that may execute transactions in the local market on behalf of the Funds.

Complete the price list below by entering an amount in either the “Firm, Fixed All-Inclusive per Year” or “Firm, Fixed per Instance” columns for applicable line items 1-6, and entering only a “Firm, Fixed Hourly Fee” for line item 7. Only enter one amount per line item. If more than one amount applies to a particular line item, use “Other” to explain and enter an amount for the service.

The DOI will invest on behalf of two separate legal entities under individual PAN cards. **With the exception of price line one which is per PAN, the price list below is per FPI.**

	Firm, Fixed All- Inclusive per Year	Firm, Fixed per Instance
1. PAN Card Application / Registration-----	\$	\$
2. Tax Compliance-----	\$	\$
3. Tax Filing and Assessment Proceedings-----	\$	\$
4. Appeal Proceedings-----	\$	\$
5. Reporting-----	\$	\$
6. Other (please provide specific details)-----	\$	\$
7. Special Projects-----	\$	/Firm, Fixed Hourly Fee