

What Are NAICS Codes?

NAICS stands for North American Industry Classification System. These are 6-digit codes used by the federal government, and many state and local agencies, to classify what type of work your business does. Example: 561730 Landscaping Services

NAICS codes (North American Industry Classification System) are most commonly used by federal agencies, SBA certifications, and state DOTs, but not *every* agency or certifier uses them exclusively.

Other classification system codes used that are like the equivalent to NAICS:

- UNSPSC Codes (United Nations Standard Products and Services Code) Commonly used by: Corporates, some local agencies Example: 70131500 Landscape services
- NIGP codes/Commodity (National Institute of Governmental Purchasing Codes.) Commonly used by: State/Local Example: 988-036 Grounds Maintenance: Mowing, Edging, Plant, Not Tree Trimming

How NAICS Codes Are Used:

- Self-Selected: Businesses choose their NAICS code(s) during registration, especially on SAM.gov, state vendor
 portals, and during certification applications.
- Based on your primary business activity: You're expected to select the code(s) that best describes what your business primarily does.

Things to Watch Out For:

- Be accurate: If your code doesn't match what you actually do, it could raise red flags during reviews (especially for SBA certifications or DBE programs).
- Size standards depend on NAICS: SBA will assess whether your business is "small" based on the NAICS code you choose and your revenue or employee count.
- Used in set-aside contracts: Contracting officers often post opportunities tagged with a specific NAICS code. You can only bid if your SAM.gov profile includes that code.

Where to Get Help:

- SBA Size Standards Tool: <u>SBA NAICS Size Standards Tool</u> (https://www.sba.gov/federal-contracting/contracting-guide/size-standards/size-standards-tool)
- NAICS Search: U.S. Census NAICS Lookup (https://www.census.gov/naics/)
- PTACs (Procurement Technical Assistance Centers) or SBA Resource Partners can review your selection if you need help choosing.

Disclaimer