(b) Taxes otherwise allowable under (a) above, but upon which a claim of illegality or erroneous assessment exists, are allowable; provided that the Contractor prior to payment of such taxes:

(i) promptly requests instructions from the Contracting Officer concerning such taxes; and

(ii) takes all action directed by the Contracting Officer arising out of (b)(i) above or an independent decision of the Government as to the existence of a claim of illegality or erroneous assessment, including cooperation with and for the benefit of the Government to (A) determine the legality of such assessment or, (B) secure a refund of such taxes.

Reasonable costs of any such action undertaken by the Contractor at the direction or with the concurrence of the Contracting Officer are allowable. Interest and penalties incurred by a Contractor by reason of the nonpayment of any tax at the direction of the Contracting Officer or by reason of the failure of the Contracting Officer to assure timely direction after prompt request therefor, are also allowable.

(c) Any refund of taxes, interest, or penalties, and any payment to the Contractor of interest thereon, attributable to taxes, interest, or penalties which were allowed as contract costs, shall be credited or paid to the Government in the manner directed by the Government, provided any interest actually paid or credited to a Contractor incident to a refund of tax, interest or penalty shall be paid or credited to the Government only to the extent that such interest accrued over the period during which the Contractor had been reimbursed by the Government for the taxes, interest or penalties.