



# Federal Register

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**Tuesday,  
May 27, 2003**

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**Part XVI**

**Department of the  
Treasury**

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**Semiannual Regulatory Agenda**

**DEPARTMENT OF THE TREASURY (TREAS)**

**DEPARTMENT OF THE TREASURY**

**31 CFR Subtitle A, Chs. I and II**

**Semiannual Agenda**

**AGENCY:** Department of the Treasury.

**ACTION:** Semiannual regulatory agenda.

**SUMMARY:** This notice is given pursuant to the requirements of the Regulatory Flexibility Act (Pub. L. 96-354, September 19, 1980) and Executive Order (E.O.) 12866 (“Regulatory Planning and Review,” September 30, 1993), which require the publication by the Department of a semiannual agenda of regulations.

**FOR FURTHER INFORMATION CONTACT:** For additional information about a specific entry in the agenda, contact the Agency Contact identified in the item relating to that regulation.

**SUPPLEMENTARY INFORMATION:** The semiannual agenda of the Department of the Treasury conforms to the Unified Agenda format developed by the Regulatory Information Service Center (RISC).

The Homeland Security Act of 2002 transferred the United States Customs Service from the Treasury Department to the new Department of Homeland Security (DHS). That Act, however, provides that the Secretary of the

Treasury retains the regulatory authority for what the Act defines as customs revenue functions, but provides the Secretary of the Treasury plenary power to delegate such authority to the Secretary of Homeland Security. For this reason, Customs regulations continue to be listed in Treasury’s portion of this semiannual regulatory agenda.

**Dated:** April 15, 2003.

**Richard S. Carro,**

*Senior Advisor to the General Counsel for Regulatory Affairs.*

**Departmental Offices—Proposed Rule Stage**

Sequence Number	Title	Regulation Identification Number
2355	12 CFR 1805 Community Development Financial Institutions (CDFI) Program NPRM .....	1505-AA93
2356	17 CFR 403.4 Amendments to the Government Securities Act Regulations: Customer Protection-Reserves and Custody of Securities .....	1505-AA94
2357	31 CFR 50 Terrorism Risk Insurance Program .....	1505-AA98
2358	31 CFR 50 Terrorism Risk Insurance Program .....	1505-AA99

**Departmental Offices—Final Rule Stage**

Sequence Number	Title	Regulation Identification Number
2359	48 CFR ch 10 Department of the Treasury Acquisition Regulation .....	1505-AA89
2360	31 CFR 5 Treasury Debt Collection .....	1505-AA90
2361	31 CFR 501 Reporting and Procedures Regulations; Cuban Assets Control Regulations: Publication of Economic Sanctions Enforcement Guidelines .....	1505-AA95
2362	31 CFR 50 Terrorism Risk Insurance Program .....	1505-AA96
2363	31 CFR 1.8 to 1.12 Disclosure of Records in Litigation .....	1505-AA97

**Departmental Offices—Long-Term Actions**

Sequence Number	Title	Regulation Identification Number
2364	31 CFR ch II Possible Regulation of Access to Accounts at Financial Institutions Through Payment Service Providers .....	1505-AA74
2365	Financial Activities of Financial Subsidiaries .....	1505-AA80
2366	Financial Subsidiaries .....	1505-AA81
2367	12 CFR 1501.2 Secretary’s Determination of Real Estate Brokerage .....	1505-AA84
2368	12 CFR 1501.2 Secretary’s Determination of Other Activities Financial in Nature .....	1505-AA85
2369	31 CFR 19 Common Rule Suspension and Debarment .....	1505-AA86
2370	12 CFR 1806 Bank Enterprise Award (BEA) Program .....	1505-AA91
2371	12 CFR 1805 Community Development Financial Institutions (CDFI) Program .....	1505-AA92

## TREAS

## Departmental Offices—Completed Actions

Sequence Number	Title	Regulation Identification Number
2372	17 CFR 420 Amendments to the Large Position Rules .....	1505-AA88

## Financial Crimes Enforcement Network—Prerule Stage

Sequence Number	Title	Regulation Identification Number
2373	Customer Identification Programs for Travel Agents .....	1506-AA38
2374	Customer Identification Programs for Pawn Brokers .....	1506-AA39
2375	Customer Identification Programs for Sellers of Vehicles .....	1506-AA41

## Financial Crimes Enforcement Network—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
2376	31 CFR 103 Amendment to the Bank Secrecy Act Regulations—Delegation of Authority To Assess Civil Money Penalties on Depository Institutions .....	1506-AA08
2377	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Requirement That Financial Institutions Establish Anti-Money Laundering Programs .....	1506-AA28
2378	Customer Identification Programs for Loan and Finance Companies .....	1506-AA40
2379	31 CFR 103.184 Imposition of Special Measures Against the Country of Nauru .....	1506-AA43
2380	31 CFR 103.11 Requirement That Futures Commission Merchants and Introducing Brokers in Commodities Report Suspicious Transactions .....	1506-AA44

## Financial Crimes Enforcement Network—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
2381	31 CFR 103 Amendment to the Bank Secrecy Act Regulations Regarding Reporting of Cross-Border Transportation of Certain Monetary Instruments .....	1506-AA15
2382	31 CFR 103 Amendment to the Bank Secrecy Act Regulations—Exemptions From the Requirement to Report Transactions in Currency .....	1506-AA23
2383	31 CFR 103.30 Amendment to the Bank Secrecy Act Regulations—Requirement that Nonfinancial Trades or Businesses Report Certain Currency Transactions .....	1506-AA25
2384	31 CFR 103.175-103.178 Due Diligence Requirements for Correspondent Accounts and Private Banking Accounts .....	1506-AA29
2385	31 CFR 103.121 Customer Identification Programs for Banks, Savings Associations, and Credit Unions .....	1506-AA31
2386	31 CFR 103.122 Customer Identification Program for Broker-Dealers .....	1506-AA32
2387	31 CFR 103.131 Customer Identification Program for Mutual Funds .....	1506-AA33
2388	31 CFR 103.16 Financial Crimes Enforcement Network; Amendment to the Bank Secrecy Act Regulations Requirement That Insurance Companies Report Suspicious Transactions .....	1506-AA36
2389	31 CFR 103.15 Amendment to the Bank Secrecy Act Regulations—Requirement That Mutual Funds Report Suspicious Transactions .....	1506-AA37
2390	31 CFR 103.56 Financial Crimes Enforcement Network; Delegation of Enforcement Authority Regarding the Foreign Bank Account Report Requirements .....	1506-AA45

## Financial Crimes Enforcement Network—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
2391	31 CFR 103 Amendments to the Bank Secrecy Act Regulations—Special Reporting and Recordkeeping Requirements—Money Services Businesses (MSBs) .....	1506-AA19

## TREAS

## Financial Crimes Enforcement Network—Completed Actions

Sequence Number	Title	Regulation Identification Number
2392	31 CFR 103.20 Financial Crimes Enforcement Network; Amendment to the Bank Secrecy Act Regulations—Requirement that Currency Exchangers Report Suspicious Transactions .....	1506-AA34

## Financial Management Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
2393	31 CFR 240 Indorsement and Payment of Checks Drawn on the United States Treasury .....	1510-AA45
2394	31 CFR 245 Claims on Account of Treasury Checks .....	1510-AA51
2395	31 CFR 203 Payment of Federal Taxes and the Treasury Tax and Loan Program .....	1510-AA79
2396	31 CFR 206 Management of Federal Agency Receipts and Disbursements; Operation of the Cash Management Improvement Fund .....	1510-AA86
2397	31 CFR 215 Withholding of District of Columbia, State, City, and County Income, or Employment Taxes by Federal Agencies .....	1510-AA90

## Financial Management Service—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
2398	31 CFR 281 Foreign Exchange Operations .....	1510-AA48
2399	31 CFR 256 Payments Under Judgment and Private Relief Acts .....	1510-AA52
2400	31 CFR 285.5 Offset of Federal Payments (Other Than Tax Refund and Federal Benefit Payments) To Collect Past-Due, Legally Enforceable Nontax Debt .....	1510-AA65
2401	31 CFR 285.7 Salary Offset .....	1510-AA70
2402	31 CFR 285.8 Offset of Tax Refund Payment To Collect State Income Tax Obligations .....	1510-AA78
2403	31 CFR 210 2003 ACH Rules .....	1510-AA89
2404	31 CFR 901.9 Federal Claims Collection Standard—Collection by Installments .....	1510-AA91

## Financial Management Service—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
2405	31 CFR 285.6 Offset of Federal Payments (Other Than Tax Refund and Federal Benefit Payments) To Collect Past-Due Debts Owed to States (Other Than Child Support) .....	1510-AA66
2406	31 CFR 285.14 Public Dissemination of Identity of Delinquent Debtors .....	1510-AA72
2407	31 CFR 223 Surety Bond Reimbursement Fund .....	1510-AA85

## Tax and Trade Bureau—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
2408	27 CFR 252 Exportation of Liquors .....	1513-AA00
2409	27 CFR 7 Revision of Brewery Regulations and Issuance of Regulations for Taverns on Brewery Premises (Brewpubs) .....	1513-AA02
2410	27 CFR 4 Prohibition of Alcohol Beverage Containers and Standard of Fill for Distilled Spirits and Wine .....	1513-AA07
2411	27 CFR 4 Amended Standard of Identity for Sherry .....	1513-AA08
2412	27 CFR 7 Flavored Malt Beverages .....	1513-AA12
2413	27 CFR 270 Determination of Tax and Recordkeeping on Large Cigars .....	1513-AA16
2414	27 CFR 24 Production of Dried Fruit and Honey Wines .....	1513-AA21
2415	27 CFR 9 Petition To Establish the “Santa Barbara Highlands” Viticultural Area .....	1513-AA24
2416	27 CFR 44 Regulatory Changes From Customs Service Final Rule (2001R-140T) .....	1513-AA26

## TREAS

## Tax and Trade Bureau—Proposed Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
2417	27 CFR 40 Shipments of Tobacco Products or Cigarette Papers or Tubes Without Payment of Tax .....	1513-AA27
2418	27 CFR 9 Proposed "San Bernabe" Viticultural Area .....	1513-AA28
2419	27 CFR 9 Petition To Establish the "Trinity Lake" Viticultural Area .....	1513-AA29
2420	27 CFR 45 Removal of Tobacco Products and Cigarette Papers and Tubes Without Payment of Tax for Use of the United States .....	1513-AA38
2421	27 CFR 9 Petition To Establish "Eola Hills" as a New American Viticultural Area .....	1513-AA41
2422	27 CFR 4 Proposed Addition of New Grape Variety Names for American Wines .....	1513-AA42
2423	27 CFR 9 Petition To Establish "Columbia Gorge" as a New American Viticultural Area .....	1513-AA43
2424	27 CFR 40 Marks, Labels, Notices and Bonds for, and Removal of, Tobacco Products, and Cigarette Papers and Tubes .....	1513-AA49
2425	27 CFR 9 Petition To Establish "Dundee Hills" as a New American Viticultural Area .....	1513-AA50
2426	27 CFR 9 Petition To Establish "Santa Maria Bench" as a New American Viticultural Area .....	1513-AA51
2427	27 CFR 40 In-Transit Stops of Tobacco Products, and Cigarette Papers and Tubes Without Payment of Tax .....	1513-AA52
2428	27 CFR 9 Petition To Establish "Snake River Valley" as a New Viticultural Area .....	1513-AA53
2429	27 CFR 9 Petition To Expand the Livermore Valley Viticultural Area .....	1513-AA54
2430	27 CFR 9 San Francisco Bay and Central Coast Viticultural Areas—Boundary Realignment/Expansion .....	1513-AA55
2431	27 CFR 9 Petition To Establish "Upper Arroyo Grande" as a New American Viticultural Area .....	1513-AA56
2432	27 CFR 9 Petition To Establish "Chehalem Mountains" as a New American Viticultural Area .....	1513-AA57
2433	27 CFR 9 Petition To Establish "Ribbon Ridge" as a New American Viticultural Area .....	1513-AA58
2434	27 CFR 9 Petition To Establish "Yamhill-Carlton District" as a New American Viticultural Area .....	1513-AA59
2435	Electronic Signatures; Electronic Submission of Forms to TTB (2000R-458P) .....	1513-AA61
2436	Petition To Establish "McMinnville" as an American Viticultural Area in Oregon .....	1513-AA63
2437	Petition To Establish the "Fort Ross Seaview" Viticultural Area .....	1513-AA64
2438	Petition To Establish the "Alexander Mountain" Viticultural Area .....	1513-AA65
2439	27 CFR 9 Petition To Establish "Grand Lake O' the Cherokees" as a New American Viticultural Area .....	1513-AA66
2440	Petition No. 2 To Expand the Russian River Valley Viticultural Area .....	1513-AA67
2441	Petition To Establish the "Salado Creek" Viticultural Area .....	1513-AA69
2442	Petition To Establish the "Shawnee Hills" Viticultural Area .....	1513-AA70
2443	Proposed Amended Boundaries for the Santa Lucia Highlands and the Arroyo Seco Viticultural Area (03R-083P) ..	1513-AA72

## Tax and Trade Bureau—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
2444	27 CFR 24.278 Implementation of Wine Credit Provisions of Public Law 104-188 .....	1513-AA05
2445	27 CFR 24.66 Implementation of Public Law 105-34, Section 1416, Relating to Refund of Tax for Domestic Wine Returned to Bond Regardless of Merchantability (Taxpayer Relief Act of 1997) .....	1513-AA06
2446	27 CFR 275 Implementation of Public Law 105-33, Section 9302, Requiring the Qualification of Tobacco Product Importers and Miscellaneous Technical Amendments .....	1513-AA10
2447	27 CFR 275 Tobacco Products and Cigarette Papers and Tubes Shipped from Puerto Rico to the United States ...	1513-AA17
2448	27 CFR 270 Elimination of Statistical Classes for Large Cigars .....	1513-AA18
2449	27 CFR 41 Importation of Tobacco Products and Cigarette Papers and Tubes; Recodification of Regulations .....	1513-AA20
2450	27 CFR 4 Amelioration of Fruit and Agricultural Wines; Technical Amendments .....	1513-AA30
2451	27 CFR 9 Petition To Establish "Red Hills" American Viticultural Area .....	1513-AA33
2452	27 CFR 9 Petition To Establish "Seneca Lake" as an American Viticultural Area .....	1513-AA34
2453	27 CFR 9 Petition To Establish "Bennett Valley" as an American Viticultural Area .....	1513-AA36
2454	27 CFR 9 Petition for the Establishment of "Red Hill" as an American Viticultural Area .....	1513-AA39
2455	27 CFR 9 Petition To Change the Temecula Viticultural Area's Name to Temecula Valley .....	1513-AA40
2456	27 CFR 9 Petition To Establish "Alexandria Lakes" as a New American Viticultural Area .....	1513-AA45
2457	27 CFR 4 Organic Claims in Labeling and Advertising of Alcohol Beverages .....	1513-AA46
2458	27 CFR 9 Petition To Establish "Oak Knoll District" as a New American Viticultural Area .....	1513-AA48
2459	27 CFR 7 Plain Language in Part 7 .....	1513-AA60
2460	Petition No. 1 To Expand the Russian River Valley Viticultural Area .....	1513-AA68

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## Tax and Trade Bureau—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
2461	27 CFR 7 Alcoholic Content Labeling for Malt Beverages .....	1513-AA01
2462	Sake Regulations .....	1513-AA11
2463	27 CFR 275 Prohibited Marks on Packages of Tobacco Products and Cigarette Papers and Tubes Imported or Brought into the United States .....	1513-AA14
2464	27 CFR 4.32(d) Removal of Requirement To Disclose Saccharin in the Labeling of Wine, Distilled Spirits, and Malt Beverages .....	1513-AA15
2465	27 CFR 31 Liquor Dealers; Recodification of Regulations .....	1513-AA19
2466	27 CFR 19, subpart W Proposed Revisions of 27 CFR Part 19 .....	1513-AA23
2467	27 CFR 4 Proposal To Recognize Synonyms for Petite Sirah and Zinfandel Grape Varieties .....	1513-AA32
2468	27 CFR 17 Taxpaid Distilled Spirits Used in Manufacturing Products Unfit for Beverage Use .....	1513-AA37
2469	31 CFR 8 Eliminate Requirement To Enroll To Practice Before the Bureau .....	1513-AA62

## Tax and Trade Bureau—Completed Actions

Sequence Number	Title	Regulation Identification Number
2470	27 CFR 5 Labeling of Unaged Grape Brandy .....	1513-AA03
2471	27 CFR 19.11 Distilled Spirits Plant Regulatory Initiative Proposal .....	1513-AA04
2472	27 CFR 4 Health Claims and Other Health Related Statements in the Labeling and Advertising of Alcohol Beverages .....	1513-AA09
2473	27 CFR 16 Alcohol Beverage Health Warning Statement .....	1513-AA13
2474	27 CFR 31 Delegation of Authority in 27 CFR Part 31 .....	1513-AA22
2475	27 CFR 40 Delegation of Authority in 27 CFR Part 40 .....	1513-AA25
2476	27 CFR 44 Voluntary Waiver of Filing Claim for Credit, Refund, Allowance, or Credit of Tax for Tobacco Products Manufactured in Canada .....	1513-AA31
2477	27 CFR 9 Petition To Establish "Capay Valley" as an American Viticultural Area .....	1513-AA35
2478	27 CFR 9 Petition To Propose "Yadkin Valley" as a New American Viticultural Area .....	1513-AA44
2479	27 CFR 25 Brewery Forms .....	1513-AA47
2480	Reorganization of Title 27, Code of Federal Regulations; Final Rule .....	1513-AA71
2481	27 CFR 19 Delegation of Authority in 27 CFR Part 19 .....	1513-AA73
2482	27 CFR 70 Delegation of Authority for Part 70 .....	1513-AA74

## Comptroller of the Currency—Prerule Stage

Sequence Number	Title	Regulation Identification Number
2483	12 CFR 3 Capital Rules .....	1557-AB14

## Comptroller of the Currency—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
2484	Recordkeeping Requirements for Bank Exceptions From Securities Broker or Dealer Registration .....	1557-AB93
2485	12 CFR 19 Maintenance of Records .....	1557-AB99
2486	12 CFR 28 International Banking Activities .....	1557-AC04
2487	12 CFR 30 Interagency Guidelines Establishing Standards for Safety and Soundness .....	1557-AC08
2488	12 CFR 11 Reporting and Disclosure Requirements for National Banks With Securities Registered Under the Securities Exchange Act of 1934; Securities Offering Disclosure Rules .....	1557-AC12

## TREAS

## Comptroller of the Currency—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
2489	12 CFR 5 Rules, Policies, and Procedures for Corporate Activities and Bank Activities and Operations .....	1557-AB97
2490	31 CFR 103 Customer Identification Programs for Banks, Savings Associations, and Credit Unions .....	1557-AC06
2491	12 CFR 24 Community and Economic Development Entities, Community Development Projects, and Other Public Welfare Investments (12 CFR Part 24) .....	1557-AC09
2492	12 CFR 19 Removal, Suspension, and Debarment of Independent Accountants From Performance of Audit Services .....	1557-AC10
2493	12 CFR 5 Rules, Policies, and Procedures for Corporate Activities (Electronic Filings) .....	1557-AC13

## Comptroller of the Currency—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
2494	Rules and Procedures for Claims Against OCC-Appointed Receiverships for Uninsured Financial Institutions .....	1557-AB59
2495	Fair Credit Reporting Regulations .....	1557-AB78
2496	12 CFR 25 Community Reinvestment Act Regulation .....	1557-AB98
2497	12 CFR 5 Rules, Policies, and Procedures for Corporate Activities .....	1557-AC11

## Comptroller of the Currency—Completed Actions

Sequence Number	Title	Regulation Identification Number
2498	12 CFR 19 Uniform Rules of Practice and Procedure; Regulation Review .....	1557-AB43
2499	12 CFR 5 Payday Lending .....	1557-AC01

## United States Customs Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
2500	19 CFR 12 Textiles and Textile Products Subject to Textile Trade Agreements .....	1515-AB54
2501	19 CFR 159 Liquidation; Extension; Suspension .....	1515-AB66
2502	19 CFR 12 Detention, Seizure, and Forfeiture of "Bootleg" Sound Recording and Music Videos of Live Musical Performances .....	1515-AB74
2503	19 CFR 142 Reconciliation .....	1515-AB85
2504	19 CFR 111 Remote Location Filing .....	1515-AC23
2505	19 CFR 142 Requirements for Future Customs Transactions When Payment To Customs on Prior Transactions is Delinquent and/or Dishonored .....	1515-AC68
2506	19 CFR 145 Customs Examination of In-Transit Mail Shipments .....	1515-AC71
2507	19 CFR 12 Patent Surveys .....	1515-AC93
2508	19 CFR 122 Advance Notice Requirements for Aircraft Landings and Arrivals; Revisions to the Private Aircraft Overflight Program .....	1515-AD10
2509	19 CFR 162 Prior Disclosure and Lost Duty or Revenue Demands When Penalty Claim Not Issued .....	1515-AD13
2510	19 CFR 181 Tariff Treatment Related To Disassembly Operations Under the North American Free Trade Agreement .....	1515-AD23
2511	19 CFR 4 Manifest Discrepancy Reports—New Requirements for Vessels and a Conforming Change .....	1515-AD26

## United States Customs Service—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
2512	19 CFR 4 Harbor Maintenance Fee .....	1515-AA57
2513	19 CFR 24 Donated Cargo Exemption From Harbor Maintenance Fee .....	1515-AA87

## TREAS

## United States Customs Service—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
2514	19 CFR 181 North American Free Trade Agreement (NAFTA)—Implementation of Duty-Deferral Program Provisions .....	1515-AB87
2515	19 CFR 141 Customs Entry Documentation Pursuant To Anticounterfeiting Consumer Protection Act .....	1515-AC15
2516	19 CFR 134 Country-of-Origin Marking .....	1515-AC32
2517	19 CFR 24 Expanded Methods of Payment of Duties, Taxes, Interest, and Fees .....	1515-AC40
2518	19 CFR 4 User and Navigation Fees; Other Reimbursable Charges .....	1515-AC63
2519	19 CFR 10 African Growth and Opportunity Act and Generalized System of Preferences .....	1515-AC72
2520	19 CFR 146 Expanded Weekly Entry Procedure for Foreign Trade Zones .....	1515-AC74
2521	19 CFR 10 United States-Caribbean Basin Trade Partnership Act and Caribbean Basin Initiative .....	1515-AC76
2522	19 CFR 24 Reimbursable Customs Inspectional Services—Increase in Hourly Rate Charge .....	1515-AC77
2523	19 CFR 24 User Fees .....	1515-AC81
2524	19 CFR 12 Dog and Cat Protection Act .....	1515-AC87
2525	19 CFR 10 Prototypes Used Solely For Product Development, Testing, Evaluation, or Quality Control Purposes ....	1515-AC88
2526	19 CFR 10 Preferential Treatment of Brassieres Under the United States-Caribbean Basin Trade Partnership Act	1515-AC89
2527	19 CFR 141 Single Entry for Unassembled or Disassembled Entities Imported on Multiple Conveyances .....	1515-AC94
2528	19 CFR 133 Civil Fines For Importation of Merchandise Bearing a Counterfeit Mark .....	1515-AC98
2529	19 CFR 122 Passenger and Crew Manifests Required for Passenger Flights in Foreign Air Transportation to the United States .....	1515-AC99
2530	19 CFR 191 Manufacturing Substitution Drawback—Duty Apportionment .....	1515-AD02
2531	19 CFR 122 Access to Customs Security Areas at Airports .....	1515-AD04
2532	19 CFR 141 Conditional Release Period and Customs Bond Obligations For Food, Drugs, Devices, and Cosmetics	1515-AD05
2533	19 CFR 122 Passenger Name Record Information Required For Passengers on Flights in Foreign Air Transportation to or From the United States .....	1515-AD06
2534	19 CFR 111 Performance of Customs Business by Parent and Subsidiary Corporations .....	1515-AD14
2535	19 CFR 103 Confidentiality Protection for Vessel Cargo Manifest Information .....	1515-AD18
2536	19 CFR 10 Implementation of the Andean Trade Promotion and Drug Eradication Act .....	1515-AD19
2537	19 CFR 10 Trade Benefits Under the African Growth and Opportunity Act .....	1515-AD20
2538	19 CFR 24 Fees for Customs Processing at Express Courier Facilities .....	1515-AD21
2539	19 CFR 10 Trade Benefits Under the Caribbean Basin Economic Recovery Act .....	1515-AD22
2540	19 CFR 10 Preferential Treatment of Brassieres Under the Caribbean Basin Economic Recovery Act .....	1515-AD24
2541	19 CFR 10 Refund of Duties Paid on Imports of Certain Wool Products .....	1515-AD27
2542	19 CFR 111 Customs Broker License Examination Dates .....	1515-AD28
2543	19 CFR 103 Confidentiality of Commercial Information .....	1515-AD29

## United States Customs Service—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
2544	19 CFR 12 Entry of Softwood Lumber Shipments From Canada .....	1515-AB97
2545	19 CFR 123 Designated Land Border Crossing Locations for Certain Conveyances .....	1515-AC12
2546	19 CFR 12 Entry of Softwood Lumber Shipments From Canada .....	1515-AC62
2547	19 CFR 123 Simplification of In-Transit Truck Shipments Between Canada and the United States .....	1515-AC65
2548	19 CFR 24 Procedures Governing the Border Release Advanced Screening and Selectivity (BRASS) Program .....	1515-AC92

## United States Customs Service—Completed Actions

Sequence Number	Title	Regulation Identification Number
2549	19 CFR 4 Deferral of Duty on Large Yachts Imported for Sale .....	1515-AC58
2550	19 CFR 102 Rules of Origin for Textile and Apparel Products .....	1515-AC80
2551	19 CFR 141 Single Entry for Split Shipments .....	1515-AC91
2552	19 CFR 12 Entry of Certain Steel Products .....	1515-AD15
2553	19 CFR 4 Compliance with Inflation Adjustment Act .....	1515-AD25



## TREAS

## United States Customs Service—Discontinued Entries

Regulation Identification Number	Title	Date	Comments
1515-AC44	19 CFR 113 Importation and Entry Bond Conditions Regarding Other Agency Documentation Requirements	03/20/2003	Withdrawn
1515-AC73	19 CFR 122 Private Aircraft Programs—Establishment of the General Aviation Telephonic Entry (GATE) Program and Revisions to the Overflight Program	12/02/2002	Withdrawn
1515-AC85	19 CFR 10 Amendment to Wool Duty Refund Program	08/12/2002	Withdrawn

## Internal Revenue Service—Prerule Stage

Sequence Number	Title	Regulation Identification Number
2554	Liabilities Assumed in Certain Corporate Transactions .....	1545-AY74
2555	Communications Excise Tax; Taxable Communication Services .....	1545-BB04
2556	Fractional Parts of a Dollar (Temporary) .....	1545-BB42
2557	Update to Section 6081 Regulations (Temporary) .....	1545-BB55
2558	Guidance Regarding Mark-to-Market Valuation for Certain Securities .....	1545-BB90
2559	Disclosure of Return Information to the Department of Agriculture (Temporary) .....	1545-BB91

## Internal Revenue Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
2560	Foreign Insurance Companies .....	1545-AL82
2561	Outbound Transfers of Property to Foreign Corporations .....	1545-AM97
2562	Foreign Insurance Company—Domestic Election .....	1545-AO25
2563	Fringe Benefit Sourcing Under Section 861 .....	1545-AO72
2564	Taxation of Global Trading .....	1545-AP01
2565	Information Reporting and Record Maintenance .....	1545-AP10
2566	Integrated Financial Transaction .....	1545-AR20
2567	Source Rules for Payments Made Pursuant to Certain Swap Arrangements .....	1545-AU89
2568	Substantiating Travel Expense Deductions for Members of Congress .....	1545-AV55
2569	Foreign Tax Credit Anti-Abuse Regulation .....	1545-AV97
2570	Transportation of Persons and Property by Air .....	1545-AW19
2571	Contingent Debt Instrument .....	1545-AW33
2572	Capital Gain Guidance Relating to CRTs .....	1545-AW35
2573	Constructive Sales of Appreciated Financial Positions .....	1545-AW97
2574	Rules for Sourcing Certain Transportation Income, Space, or Ocean Activity Income, and Related Foreign Base Company Shipping Income .....	1545-AX02
2575	Straddles—One Side Larger Than the Other .....	1545-AX16
2576	Definition of Accounting Method .....	1545-AX21
2577	Cash or Deferred Arrangements .....	1545-AX26
2578	Cash or Deferred Arrangements (Temporary) .....	1545-AX43
2579	Awarding of Costs and Certain Fees .....	1545-AX46
2580	Highly Compensated Employee .....	1545-AX48
2581	Modification to Section 367(a) Stock Transfer Regulations .....	1545-AX77
2582	Clarification of Foreign-Based Company Sales Income Rules .....	1545-AX91
2583	Assumption of Partnership Liabilities .....	1545-AX93
2584	Like-Kind Exchanges .....	1545-AX95
2585	Guidance on Changes to the Laws for Corporate Estimated Taxes .....	1545-AY22
2586	Withholding Tax on Foreign Partners' Share of Effectively Connected Income .....	1545-AY28
2587	Taxable Years of Controlled Foreign Corporations (CFCs) and Foreign Personal Holding Companies (FPHCs) .....	1545-AY30
2588	Allocation of Income and Deductions from Intangibles .....	1545-AY38
2589	Dollar-Value LIFO .....	1545-AY39
2590	Previously Taxed Earnings and Profits Under Subpart F .....	1545-AY54
2591	Normal Retirement Age for Pension Plans .....	1545-AY61

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## Internal Revenue Service—Proposed Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
2592	Normalization .....	1545-AY75
2593	Disclosure of Returns and Return Information in Judicial and Administrative Tax Proceedings .....	1545-AY89
2594	Payments For Interest in Partnership .....	1545-AY90
2595	Allocation and Apportionment of Interest Expense .....	1545-BA02
2596	Transactions Involving Obligations of Consolidated Group Members .....	1545-BA11
2597	Deductibility of Employer Contributions for Deferred Compensation .....	1545-BA13
2598	Continuation of a Consolidated Group .....	1545-BA14
2599	Property Exempt from Levy .....	1545-BA22
2600	Gasoline Tax Claims .....	1545-BA27
2601	Suspension of Statutes of Limitation in John Doe and Third-Party Summons Disputes, and Expansion of Taxpayers' Rights to Receive Notice and Seek Judicial Review of Third Party Summonses .....	1545-BA31
2602	Amendments to Rules for Allocation of Basis .....	1545-BA32
2603	Earned Income Credit .....	1545-BA34
2604	Income From Sources Within Specified Possession .....	1545-BA37
2605	Treatment of Certain Obligation-Shifting Transactions .....	1545-BA41
2606	Multi-Family Housing Bonds .....	1545-BA45
2607	User Fees for Offers To Compromise .....	1545-BA54
2608	Modification of Check the Box Regulations .....	1545-BA59
2609	Abatement of Interest on Large Erroneous Refunds .....	1545-BA61
2610	Allocation and Apportionment Rules: Guidance on Selected Issues .....	1545-BA64
2611	Provisions Regarding Cross-Border Transactions .....	1545-BA65
2612	Interest Other Than That of a Creditor .....	1545-BA69
2613	Circular 230—Tax Shelter Amendments .....	1545-BA70
2614	Circular 230—Phase 2 Non-Shelter Revisions .....	1545-BA72
2615	Statutory Options .....	1545-BA75
2616	Disclosure of Relative Value of Distribution Forms .....	1545-BA78
2617	Partnership Transactions Involving Long-Term Contracts .....	1545-BA81
2618	Allocation of New Markets Tax Credit .....	1545-BA84
2619	Carryover and Stacking Rule Amendment .....	1545-BA85
2620	Aggregate Computation and Allocation of Research Credit .....	1545-BA88
2621	Transfer of Notes or Stock To Provide for Satisfaction of Contested Liabilities .....	1545-BA90
2622	Transfer of Notes or Stock To Provide for Satisfaction of Contested Liabilities (Temporary) .....	1545-BA91
2623	Generation-Skipping Transfer Tax Relief Provisions .....	1545-BA94
2624	Guidance To Facilitate Electronic Tax Administration .....	1545-BA96
2625	Employment Taxes—Failure-to-Deposit Penalty .....	1545-BA97
2626	Timely Mailing Treatment .....	1545-BA99
2627	Hand Carry Returns .....	1545-BB00
2628	Change in Use; Accelerated Cost Recovery System .....	1545-BB05
2629	Depreciation of Vans and Light Trucks .....	1545-BB06
2630	Disclosure of Reportable Transactions .....	1545-BB07
2631	Registration of Reportable Transactions .....	1545-BB08
2632	List Maintenance Requirement for Reportable Transactions .....	1545-BB09
2633	Capital Account Bookup .....	1545-BB10
2634	Allocation of Foreign Tax Credits Among Partners .....	1545-BB11
2635	Distributions of Property .....	1545-BB12
2636	Structured Settlement Factoring Transactions .....	1545-BB14
2637	Testimony Authorizations and Requests for IRS Information .....	1545-BB15
2638	Investigative Disclosures .....	1545-BB16
2639	Investigative Disclosures (Temporary) .....	1545-BB17
2640	Toll Telephone Service—Definition .....	1545-BB18
2641	Duplicate Tax Benefits .....	1545-BB25
2642	Cost Sharing .....	1545-BB26
2643	Application of Separate Limitations to Dividends From Noncontrolled Section 902 Corporation .....	1545-BB28
2644	Extension of Time for Filing Returns .....	1545-BB29
2645	Treatment of Services Under Section 482 .....	1545-BB31
2646	Preparer Penalties—Signature Requirement and Copies of Returns .....	1545-BB34
2647	Fractional Parts of a Dollar .....	1545-BB35
2648	Amending the Low-Income Housing Tax Credit Program .....	1545-BB37
2649	Investment Adjustment Rules and Waiver of Loss Carryovers from SRLY Years—Amended .....	1545-BB38

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## Internal Revenue Service—Proposed Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
2650	Investment Adjustment Rules and Waiver of Loss Carryovers from SRLY Years—Amended (Temporary) .....	1545-BB39
2651	Amendment to Section 6724 Relating to Failure to File Correct Information Returns .....	1545-BB41
2652	Hand Carrying Returns (Temporary) .....	1545-BB45
2653	Administrative Simplification of 481(a) Adjustment Periods in Various Regulations .....	1545-BB47
2654	Election Out Generation-Skipping Transfer Tax (GST) Deemed Allocations .....	1545-BB54
2655	Substitute Dividend Payments in Securities Lending and Similar Transactions .....	1545-BB56
2656	Special Depreciation Allowance .....	1545-BB57
2657	Deemed IRAs in Qualified Retirement Plans .....	1545-BB58
2658	Deemed IRAs in Qualified Retirement Plans (Temporary) .....	1545-BB59
2659	Loss Limitation Rules—G U Repeal .....	1545-BB61
2660	Safe Harbor Leasing Second Interest Capitalization .....	1545-BB62
2661	Safe Harbor Leasing Second Interest Capitalization (Temporary) .....	1545-BB63
2662	Contributions To Purchase Certain Retirement Annuities or Custodial Accounts Under Section 403(b) .....	1545-BB64
2663	Installment Obligations .....	1545-BB65
2664	Use of Government Depositories in Connection with Tax Under the Federal Unemployment Tax Act .....	1545-BB66
2665	Use of Government Depositories in Connection With Tax Under the Federal Unemployment Tax Act (Temporary) .....	1545-BB67
2666	Availability of Section 338(h)(10) Election in Multistep Transactions .....	1545-BB68
2667	Statutory Options (Temporary) .....	1545-BB69
2668	Liquidation of an Interest .....	1545-BB71
2669	Qualified Interests .....	1545-BB72
2670	Real Estate Mortgage Investment Conduits; Application of Section 446 With Respect to Inducement Fees .....	1545-BB73
2671	Real Estate Mortgage Investment Conduits; Application of Section 446 With Respect to Inducement Fees (Temporary) .....	1545-BB74
2672	Collected Excise Taxes; Duties of Collector .....	1545-BB75
2673	Guidance on Life Insurance and Annuity Contracts .....	1545-BB77
2674	Corporate Reorganizations; Continuity—Transfers of Assets or Stock Following a Reorganization .....	1545-BB80
2675	Corporate Reorganizations; Continuity—Transfers of Assets or Stock Following a Reorganization (Temporary) .....	1545-BB81
2676	Notional Principal Contracts .....	1545-BB82
2677	Assumption of Partnership Liabilities (Temporary) .....	1545-BB83
2678	REMIC Residuals—Timing of Income for Foreign Holders .....	1545-BB84
2679	Transferor or transferee as a Predecessor or Successor .....	1545-BB85
2680	Dependent Care Credit .....	1545-BB86
2681	Guidance Under Section 368 Regarding Restricted Stock .....	1545-BB87
2682	Determination of Single-Sum Distributions From Cash Balance Plans .....	1545-BB93
2683	Accrual for Certain REMIC Regular Interests .....	1545-BB94
2684	Miscellaneous Changes to Collection Due Process Procedures Relating to Notice and Opportunity for Hearing Upon Filing of Notice of Lien .....	1545-BB96
2685	Miscellaneous Changes to Collection Due Process Procedures Relating to Hearings Before Levy .....	1545-BB97
2686	Computation of Tax Attributes .....	1545-BB98
2687	Distributions of Loss Corporation Stock by Qualified Plans (Temporary) .....	1545-BB99
2688	Distributions of Loss Corporation Stock by Qualified Plans .....	1545-BC00
2689	Tax Exempt Bond Partnership Reporting Regulation (Temporary) .....	1545-BC01
2690	New Markets Tax Credit Amendments (Temporary) .....	1545-BC02
2691	New Markets Tax Credit Amendments .....	1545-BC03
2692	Tax Exempt Bond Partnership Reporting Regulation .....	1545-BC04
2693	Allocation of Basis to Distributees Following a Reorganization .....	1545-BC05
2694	General Allocation and Accounting Regulations .....	1545-BC07

## Internal Revenue Service—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
2695	Golden Parachute Payments .....	1545-AH49
2696	Foreign Corporations .....	1545-AK74
2697	Nonrecognition of Corporate Distributions and Reorganizations Under the Foreign Investment in Real Property Tax Act .....	1545-AK79
2698	Computation of a Branch's Taxable Income; Taxation of Exchange Gain or Loss on Branch Remittances .....	1545-AM12

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## Internal Revenue Service—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
2699	Earnings Stripping Payments .....	1545-AO24
2700	Registration Required Obligations .....	1545-AP33
2701	Interest-Free Adjustments .....	1545-AQ61
2702	Definition of "Highly Compensated Employee" .....	1545-AQ74
2703	Escrow Funds and Other Similar Funds .....	1545-AR82
2704	Mark-to-Market Upon Disposition .....	1545-AS85
2705	Straddles—Miscellaneous Issues .....	1545-AT46
2706	Agreements for Payment of Tax Liabilities in Installments .....	1545-AU97
2707	Definition of "Private Activity Bonds" Allocation and Accounting Regulations .....	1545-AU98
2708	Return of Levied Property in Certain Cases .....	1545-AV01
2709	Electronic Transmission of Withholding Certificates .....	1545-AV27
2710	Interest on Education Loans .....	1545-AW01
2711	Mark-to-Market Accounting for Dealers in Commodities and Traders in Securities and Commodities .....	1545-AW06
2712	Intercompany Obligations .....	1545-AW30
2713	Guidance Under Subpart F Relating to Certain Hybrid Transactions .....	1545-AW63
2714	Reporting of Payments to Attorney .....	1545-AW72
2715	Qualified Offers .....	1545-AW99
2716	Allocation of Research Credit .....	1545-AX05
2717	Delay Rental Payments .....	1545-AX06
2718	Guidance on Cost Recovery in the Entertainment Industry .....	1545-AX12
2719	Allocating Basis Adjustments .....	1545-AX18
2720	Guaranteed Investment Contracts .....	1545-AX22
2721	Special Rules for Retroactive Payments Under Section 417(a)(7)(A) for Qualified Retirement Plans .....	1545-AX34
2722	Changes in Entity Classification: Special Rule for Certain Foreign Eligible Entities .....	1545-AX39
2723	Compensation Deferred Under Eligible Section 457(b) Plans .....	1545-AX52
2724	Stock Transfer Rules—Carryover of Earnings and Taxes .....	1545-AX65
2725	Allocation and Apportionment of Interest Expense and Certain Other Expenses .....	1545-AX72
2726	HIPAA Portability .....	1545-AX84
2727	Disclosure of Return and Return Information to Designee of Taxpayer .....	1545-AX85
2728	Application of Separate Foreign Tax Credit Limitations .....	1545-AX88
2729	Definition of Income .....	1545-AX96
2730	Investment Type Property (Prepayment) .....	1545-AY12
2731	Electing Mark-to-Market for Marketable Stock of a PFIC .....	1545-AY17
2732	Authorized Placement Agency .....	1545-AY18
2733	Use of Taxpayer Identifying Numbers .....	1545-AY24
2734	Dual Consolidated Loss Recapture Events .....	1545-AY27
2735	HIPAA General Nondiscrimination .....	1545-AY32
2736	HIPAA Nondiscrimination Exception for Church Plans .....	1545-AY33
2737	HIPAA Nondiscrimination Exception for Bona Fide Wellness Programs .....	1545-AY34
2738	Information Reporting on Cancellation of Indebtedness .....	1545-AY35
2739	Recognition of Gain on Certain Distributions of Stock or Securities in Connection with an Acquisition .....	1545-AY42
2740	Modified Guaranteed Contracts .....	1545-AY48
2741	Election—Asset Acquisitions of Insurance Companies .....	1545-AY49
2742	Electronic Furnishing of Payee Statements .....	1545-AY50
2743	Tax Treatment of Cafeteria Plans .....	1545-AY67
2744	Qualified S Election for Testamentary Trusts .....	1545-AY76
2745	Research Credit III .....	1545-AY82
2746	Treatment of Community Income for Certain Individuals Not Filing Joint Returns .....	1545-AY83
2747	Low-Income Taxpayer Clinics .....	1545-AY84
2748	Charitable Lead Interest .....	1545-AY86
2749	New Market Tax Credit .....	1545-AY87
2750	Net Gift Treatment .....	1545-AY91
2751	Definition of Agent and Safeguard Certifications .....	1545-AY94
2752	Tax Shelter Penalties .....	1545-AY97
2753	Expenditures in Connection with the Creation of Intangible Assets .....	1545-BA00
2754	Mergers Involving Disregarded Entities .....	1545-BA06
2755	Consolidated Returns; Nonapplicability of Section 357(c) .....	1545-BA09
2756	Reductions of Accruals and Allocations Because of Increased Age .....	1545-BA10
2757	Procurement/Purchasing Card Reporting .....	1545-BA17

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## Internal Revenue Service—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
2758	Receipt of Multiple Notices with Respect to Incorrect Taxpayer Identification Numbers .....	1545-BA18
2759	Catch-Up Contributions for Individuals Aged 50 or Over .....	1545-BA24
2760	Split-Dollar Life Insurance .....	1545-BA44
2761	Amendment to the Definition of Refunding .....	1545-BA46
2762	Treatment of Funded Welfare Benefit Plans .....	1545-BA47
2763	Loss Limitation Rules .....	1545-BA52
2764	Noncompensatory Partnership Options .....	1545-BA53
2765	Compensatory Stock Options Under Section 482 .....	1545-BA57
2766	Modification of Check the Box Regulations (Temporary) .....	1545-BA58
2767	Required Distributions from Retirement Plans .....	1545-BA60
2768	Carryback of Consolidated Net Operating Losses to Separate Return Years .....	1545-BA73
2769	Controlled Foreign Partnership Reporting .....	1545-BA77
2770	Earnings Calculation for Returned or Recharacterized Contributions .....	1545-BA82
2771	Reporting Requirements for Widely Held Fixed Investment Trusts .....	1545-BA83
2772	Guidance on Reporting of Deposit Interest Paid to Nonresident Aliens .....	1545-BA86
2773	Designated IRS Officer or Employee .....	1545-BA89
2774	Reduced Exclusion of Gain From Sale or Exchange of Principal Residence .....	1545-BB01
2775	Substantiation of Incidental Expenses .....	1545-BB20
2776	Exclusions from Gross Income of Foreign Corporations .....	1545-BB30
2777	Advance Rentals .....	1545-BB44
2778	Information Reporting Relating to Taxable Stock Transactions .....	1545-BB60
2779	Collected Excise Taxes; Duties of Collector (Temporary) .....	1545-BB76
2780	Availability of Section 338(h)(10) Election in Multistep Transactions (Temporary) .....	1545-BB78
2781	Application of Nondiscrimination Cross-Testing Rules to Cash Balance Plans .....	1545-BB79

## Internal Revenue Service—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
2782	Income Tax—Taxpayer's Obligation To File a Notice of Redetermination of Foreign Tax and Civil Penalties for Failure to File .....	1545-AC09
2783	Income Tax—Definition of Qualified Possession Source Investment Income for Purposes of Puerto Rico and Possession Tax Credit .....	1545-AC10
2784	FSC Transfer Pricing Rules, Distributions, Dividends Received, Deduction, and Other Special Rules for FSC .....	1545-AI16
2785	Information From Passport and Immigration Applicants .....	1545-AJ93
2786	Income of Foreign Governments and International Organizations .....	1545-AL93
2787	Clarification of Treatment of Separate Limitation Losses .....	1545-AM11
2788	Earnings and Profits of Controlled Foreign Corporations .....	1545-AM90
2789	Caribbean Basin Investments .....	1545-AM91
2790	Railroad Unemployment Repayment Tax .....	1545-AN40
2791	Consolidated Alternative Minimum Tax .....	1545-AN73
2792	Conforming Taxable Years of CFCs and FPHCs .....	1545-AO22
2793	Charitable Contributions .....	1545-AP30
2794	Guidance in Notice 89-37, Which Treats the Receipt of a Corporate Partner's Stock by the Corporate Partner as a Circumvention of General Utilities Repeal .....	1545-AP52
2795	Use of GAAP Earnings as E&P of Foreign Corporations .....	1545-AQ55
2796	The Treatment of Accelerated Death Benefits .....	1545-AQ70
2797	Foreign Trusts Regulations .....	1545-AR25
2798	Treatment of Dual Consolidated Losses .....	1545-AR26
2799	Allocation of Accrued Benefits Between Employer and Employee Contributions .....	1545-AT82
2800	Foreign Corporations Regulations .....	1545-AT96
2801	Treatment of Obligation-Shifting Transactions .....	1545-AU19
2802	Application of Grantor Trust Rules to Nonexempt Employees' Trust .....	1545-AU29
2803	Recomputation of Life Insurance Reserves .....	1545-AU49
2804	Application of Attribution Rules to Foreign Trusts .....	1545-AU91
2805	Financial Asset Securitization Investment Trust (FASIT) Start-up; Operational and Transitional Rules .....	1545-AU94
2806	Stocks and Securities Safe Harbor Exception .....	1545-AW13

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## Internal Revenue Service—Long-Term Actions (Continued)

Sequence Number	Title	Regulation Identification Number
2807	Source of Income From Certain Space and Ocean Activities and for Communications Income .....	1545-AW50
2808	Highway Vehicle—Definition .....	1545-AX10
2809	Inspection of Written Determinations .....	1545-AX40
2810	Definition of Private Activity Bond—Refunding Regulations .....	1545-AX55
2811	Definition of Passive Foreign Investment Company Under Section 1297 .....	1545-AX78
2812	Capitalization of Interest and Carrying Charges Properly Allocable to Straddles .....	1545-AX92
2813	Active Conduct of an Insurance Business Under PFIC Rules .....	1545-AY20
2814	Special Rules Relating to Transfers of Intangibles to Foreign Corporations .....	1545-AY41
2815	Special Rules for S Corporations .....	1545-AY44
2816	Transitional Relief for Qualified Intermediaries .....	1545-AY92
2817	Application of the Federal Insurance Contributions Act, Federal Unemployment Tax Act, and Collection of Income Tax at Source to Statutory Stock Options .....	1545-BA26
2818	Foreign Corporations—Treatment of Distributions or Liquidations .....	1545-BA79
2819	Redemptions Treated as Dividends .....	1545-BA80
2820	Allocation and Apportionment of Interest Expense .....	1545-BA92
2821	Earnings and Profits Attribution Principles .....	1545-BA93
2822	Authorization for IRS to Charge Fees For Copying Exempt Organization Returns .....	1545-BB21
2823	Authorization for IRS to Charge Fees For Copying Exempt Organization Returns (Temporary) .....	1545-BB22
2824	Mixed Use Output Facilities .....	1545-BB23
2825	Accrual Rules for Creditable Foreign Taxes and Guidance on Change in Taxable Year .....	1545-BB27
2826	Limitation on Use of Nonaccrual Experience Method of Accounting .....	1545-BB43
2827	Partnership Equity for Services .....	1545-BB92
2828	Transfers of Nonstatutory Stock Options to Related Persons .....	1545-BC06

## Internal Revenue Service—Completed Actions

Sequence Number	Title	Regulation Identification Number
2829	Limitations on Passive Activity Losses and Credits—Self-Charged Items .....	1545-AN64
2830	Election To Treat Trust as Estate .....	1545-AW24
2831	Corporate Tax Shelter Registration .....	1545-AW26
2832	Education Credits .....	1545-AW65
2833	Certain Asset Transfers to Regulated Investment Companies (RICs) and Real Estate Investment Trusts (REITs) ...	1545-AW92
2834	Notice of Contact of Third Parties .....	1545-AX04
2835	Exclusion of Gain on the Sale or Exchange of Principal Residence .....	1545-AX28
2836	Loans to Participants or Beneficiaries From Qualified Employee Plans .....	1545-AX68
2837	Requirement To Maintain List of Investors in Potentially Abusive Tax Shelters .....	1545-AX79
2838	Tax Shelter Disclosure Statements .....	1545-AX81
2839	Statute of Limitations on Collection Installment Agreements .....	1545-AX89
2840	Definition of Diesel Fuel .....	1545-AX97
2841	Constructive Transfers and Transfers of Property to Third Parties on Behalf of a Spouse .....	1545-AX99
2842	Guidance Necessary To Facilitate Electronic Tax Administration .....	1545-AY04
2843	Damages for Intentional or Reckless Disregard of the Internal Revenue Code .....	1545-AY08
2844	Disallowance of Deductions and Credits for Failure to File Timely Return .....	1545-AY26
2845	Disclosure of Return Information to Officers and Employees of the Department of Commerce for Certain Statistical Purposes and Related Activities .....	1545-AY52
2846	Obligation of States and Political Subdivisions .....	1545-AY71
2847	Disclosure of Returns and Return Information by Other Agencies .....	1545-AY77
2848	Excise Tax Imposed on Foreign Insurers or Reinsurers .....	1545-AY93
2849	Consolidated Return Intercompany Transaction Rules .....	1545-BA05
2850	Notice of Significant Reduction in the Rate of Future Benefit Accrual .....	1545-BA08
2851	Unit Livestock Pricing Method .....	1545-BA25
2852	Guidance Regarding Foreign Personal Holding Company Income .....	1545-BA33
2853	Transfers of C Corporation Property to RICs or REITs .....	1545-BA36
2854	Withholding at Treaty Rate Exception for Taxpayer Identifying Number .....	1545-BA38
2855	Information Reporting for Qualified Tuition and Related Expenses; Magnetic Media Filing Requirements for Information Returns .....	1545-BA43

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## Internal Revenue Service—Completed Actions (Continued)

Sequence Number	Title	Regulation Identification Number
2856	Determination of Basis of Partner's Interest; Special Rules .....	1545-BA50
2857	Low-Income Taxpayer Clinics .....	1545-BA95
2858	Designated IRS Officer or Employee (Temporary) .....	1545-BA98
2859	Reduced Exclusion of Gain From Sale or Exchange of Principal Residence (Temporary) .....	1545-BB02
2860	Penalties for Unauthorized Inspection of Returns .....	1545-BB13
2861	Substantiation of Incidental Expenses (Temporary) .....	1545-BB19
2862	Structured Settlement Factoring Transactions (Temporary) .....	1545-BB24
2863	Tax Shelter Disclosure Statements (Temporary) .....	1545-BB32
2864	Requirement To Maintain List of Investors in Potentially Abusive Tax Shelters .....	1545-BB33
2865	Issues Relating to Certain Foreign Corporations and Partnerships .....	1545-BB36
2866	Information Reporting for Taxable Stock Transactions .....	1545-BB40
2867	Statutory Mergers and Consolidations .....	1545-BB46
2868	Disclosure Statements for Employment Tax .....	1545-BB48
2869	Disclosure Statements for Estate Tax .....	1545-BB49
2870	Disclosure Statements for Gift Tax .....	1545-BB50
2871	Disclosure Statements for Pension Excise Taxes .....	1545-BB51
2872	Disclosure Statements for Public Charity Excise Taxes .....	1545-BB52
2873	Disclosure Statements for Foundation Excise Taxes .....	1545-BB53
2874	Taxpayer Identification Number (TIN) Matching Program (Temporary) .....	1545-BB88
2875	Guidance Under Section 1502: Suspension of Losses on Certain Stock Dispositions (Temporary) .....	1545-BB95

## Internal Revenue Service—Discontinued Entries

Regulation Identification Number	Title	Date	Comments
1545-AR32	Intercompany Transfer Pricing for Services	03/03/2003	Withdrawn
1545-BA71	Definition of Reorganizations	03/03/2003	Withdrawn
1545-BB03	Heavy Vehicle Tax; Definition of Highway Tractor	12/20/2002	Withdrawn
1545-BB70	Temporary Regulations Under Sections 6662 and 6664 Regarding Tax Shelter Penalties	03/12/2003	Withdrawn

## Office of Thrift Supervision—Prerule Stage

Sequence Number	Title	Regulation Identification Number
2876	12 CFR 567 Capital Rules .....	1550-AB11

## Office of Thrift Supervision—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
2877	12 CFR 513 Removal, Suspension, and Debarment of Accountants from Performing Audit Services .....	1550-AB53

## Office of Thrift Supervision—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
2878	12 CFR 545 Directors and Officers .....	1550-AB19
2879	12 CFR 571 Fair Credit Reporting .....	1550-AB33
2880	12 CFR 563e Community Reinvestment Act .....	1550-AB48

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Office of Thrift Supervision—Completed Actions

Sequence Number	Title	Regulation Identification Number
2881	12 CFR 550 Recordkeeping and Confirmation Requirements for Securities Transactions; Fiduciary Powers of Savings Associations .....	1550-AB49
2882	12 CFR 562 Regulatory Reporting Standards: Qualifications for Independent Public Accounts Performing Audit Services for Voluntary Audit Filers .....	1550-AB54
2883	12 CFR 506 Savings Associations—Operations; Transactions with Affiliates .....	1550-AB55

Department of the Treasury (TREAS)  
Departmental Offices (DO)

Proposed Rule Stage

**2355. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) PROGRAM NPRM**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 4703; 12 USC 4703 note; 12 USC 4717; 31 USC 321

**CFR Citation:** 12 CFR 1805

**Legal Deadline:** None

**Abstract:** We are proposing changes to require entities certified by us as Community Development Financial Institutions (CDFIs) to submit reports that we may from time to time require to enable us to better: 1) evaluate the impact of the CDFI Program; and 2) monitor such entities' continued eligibility as certified CDFIs. We are also proposing to give the Fund the discretion to decertify a certified CDFI that does not timely submit such required reports.

**Timetable:**

Action	Date
NPRM	05/00/03
NPRM Comment Period End	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

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**RIN:** 1505-AA93

**2356. AMENDMENTS TO THE GOVERNMENT SECURITIES ACT REGULATIONS: CUSTOMER PROTECTION-RESERVES AND CUSTODY OF SECURITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 78o-5(b)(1)(A); 15 USC 78o-5(b)(4)

**CFR Citation:** 17 CFR 403.4

**Legal Deadline:** None

**Abstract:** The proposal would allow for the expansion of the categories of collateral registered Government securities brokers and dealers may pledge when borrowing fully paid or excess margin securities from customers. This proposal is a conforming technical amendment to the Government Securities Act regulations. It is based on the Securities and Exchange Commission's revisions to its customer protection requirements for brokers and dealers subject to the requirements of 17 CFR 240.15c3-3(b)(3).

**Timetable:**

Action	Date
NPRM	06/00/03
NPRM Comment Period End	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lori Santamarena, Executive Director, Department of the Treasury, Bureau of the Public Debt, Room 315, Government Securities Regulations Staff, 999 E Street NW., Washington, DC 20239-0001  
Phone: 202 691-3632  
Fax: 202 219-3639  
Email: govsecreg@bpd.treas.gov

Deidere R. Brewer, Government Securities Specialist, Department of the Treasury, Bureau of the Public Debt, Room 315, Government Securities Regulations Staff, 999 E Street NW., Washington, DC 20239-001  
Phone: 202 691-3632  
Fax: 202 219-3639  
Email: govsecreg@bpd.treas.gov

Kevin Hawkins, Government Securities Specialist, Department of the Treasury, Bureau of the Public Debt, Room 315, Government Securities Regulations Staff, 999 E Street NW., Washington, DC 20239-0001  
Phone: 202 691-3632  
Fax: 202 219-3639  
Email: govsecreg@bpd.treas.gov

**RIN:** 1505-AA94

**2357. • TERRORISM RISK INSURANCE PROGRAM**

**Priority:** Other Significant

**Legal Authority:** Terrorism Risk Insurance Act, title I, PL 107-297, 116 Stat 2322; 15 USC 6701 note; 5 USC 301; 31 USC 321

**CFR Citation:** 31 CFR 50

**Legal Deadline:** None

**Abstract:** As the statutorily authorized administrator of the Terrorism Risk Insurance Program, Treasury is issuing proposed, interim final, and final regulations to implement the Program. Under the Terrorism Risk Insurance Act, title I, Public Law 107-297, and the Program, the Federal Government shares the risk of insured losses from certified acts of terrorism with commercial property and casualty insurers until the Program sunsets on December 31, 2005. This rule incorporates and clarifies statutory conditions for Federal payment under



## TREAS—DO

## Proposed Rule Stage

the Program that require insurers to make certain disclosures to policyholders. The rule also incorporates and clarifies statutory requirements that insurers “make available,” in their commercial property and casualty insurance policies, terrorism risk coverage for insured losses under the Program. The rule generally incorporates guidance previously issued by Treasury, but with some modifications.

**Timetable:**

Action	Date
Notice of Interim Guidance	12/11/02 67 FR 76206
Notice of Interim Guidance	12/26/02 67 FR 78864
Notice of Interim Guidance	01/29/03 68 FR 4544
NPRM	04/18/03 68 FR 19309
NPRM Comment Period End	05/19/03
Interim Final Rule	04/18/03 68 FR 19302
Interim Final Rule Effective	04/18/03
Interim Final Rule Comment Period End	05/19/03
Final Rule	08/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**URL For Public Comments:**

<http://triacomments@do.treas.gov>

**Agency Contact:** Mario Ugoletti, Deputy Director, Department of the Treasury, Room 3160, Annex, Office of Financial Institutions, 1500 Pennsylvania Avenue NW., Washington, DC 20220  
Phone: 202 622-2730

**RIN:** 1505-AA98

**2358. • TERRORISM RISK INSURANCE PROGRAM**

**Priority:** Other Significant

**Legal Authority:** Terrorism Risk Insurance Act, title I, PL 107-297, 116 Stat 2322; 15 USC 6701 note; 5 USC 301; 31 USC 321

**CFR Citation:** 31 CFR 50

**Legal Deadline:** None

**Abstract:** As the statutorily authorized administrator of the Terrorism Risk Insurance Program, Treasury is issuing proposed and final regulations to implement the Program. Under the Terrorism Risk Insurance Act, title I, Public Law 107-297, and the Program, the Federal Government shares the risk of insured losses from certified acts of terrorism with commercial property and casualty insurers until the Program sunsets on December 31, 2005. This

rule would apply provisions of the Act to State residual market insurance entities and State workers' compensation funds, which are insurers under the Program. The Act requires Treasury to issue these regulations.

**Timetable:**

Action	Date
Notice of Interim Guidance	12/11/02 67 FR 76206
Notice of Interim Guidance	12/26/02 67 FR 78864
Notice of Interim Guidance	01/29/03 68 FR 4544
NPRM	04/18/03 68 FR 19309
NPRM Comment Period End	05/19/03
Final Rule	08/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** State

**URL For Public Comments:**

<http://triacomments@do.treas.gov>

**Agency Contact:** Mario Ugoletti, Deputy Director, Department of the Treasury, Room 3160, Annex, Office of Financial Institutions, 1500 Pennsylvania Avenue NW., Washington, DC 20220  
Phone: 202 622-2730

**RIN:** 1505-AA99

## Department of the Treasury (TREAS)

## Final Rule Stage

## Departmental Offices (DO)

**2359. DEPARTMENT OF THE TREASURY ACQUISITION REGULATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** EO 12931, as amended, 41 USC 401, et seq; 41 USC 414; 31 USC 5136; 48 CFR ch 1, subpart 1.3

**CFR Citation:** 48 CFR ch 10

**Legal Deadline:** None

**Abstract:** The Department of the Treasury is revising the Department of the Treasury Regulation (DTAR) in its entirety. Treasury has rewritten the DTAR into plain English, and has also updated the regulation to reflect changes to the Federal Acquisition Regulation. The DTAR includes both policy direction and regulatory guidance.

**Timetable:**

Action	Date
NPRM	12/11/02 67 FR 76150
NPRM Comment Period End	01/10/03
Final Rule	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Angelie Jackson, Department of the Treasury, Suite 400w, Office of the Procurement Executive, 1500 Pennsylvania Avenue NW., c/o 1310 G Street NW., Washington, DC 20220  
Phone: 202 622-0245  
Fax: 202 622-2273  
Email: [angelie.jackson@do.treas.gov](mailto:angelie.jackson@do.treas.gov)

**RIN:** 1505-AA89

**2360. TREASURY DEBT COLLECTION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 5514; 26 USC 6402; 31 USC 321; 31 USC 3701; 31 USC 3711; 31 USC 3716 to 3718; 31 USC 3720A; 31 USC 3720B; 31 USC 3720D

**CFR Citation:** 31 CFR 5

**Legal Deadline:** None

**Abstract:** This rule updates the Department of the Treasury's debt collection regulations to conform with the Debt Collection Improvement Act of 1996, the revised Federal Claims Collection Standards, and other laws applicable to the collection of debts owed to Treasury. This rule also updates Treasury's regulations governing the offset of Treasury-issued payments to collect debts owed to other Federal agencies.

## TREAS—DO

## Final Rule Stage

**Timetable:**

Action	Date	
Interim Final Rule	10/28/02	67 FR 65843
Interim Final Rule Comment Period End	11/27/02	
Final Rule	07/00/03	

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** Federal

**Agency Contact:** Cathy Thomas,  
Department of the Treasury,  
Metropolitan Square Room 6228, Office  
of the Deputy Chief Financial Officer,  
1500 Pennsylvania Avenue NW.,  
Washington, DC 20220  
Phone: 202 622-0817  
Fax: 202 622-2318

**RIN:** 1505-AA90

**2361. • REPORTING AND  
PROCEDURES REGULATIONS;  
CUBAN ASSETS CONTROL  
REGULATIONS: PUBLICATION OF  
ECONOMIC SANCTIONS  
ENFORCEMENT GUIDELINES**

**Priority:** Substantive, Nonsignificant**Legal Authority:** 21 USC 1901 to 1908;  
22 USC 287c; 31 USC 321(b); 50 USC  
1701 to 1706; 50 USC app 1-44**CFR Citation:** 31 CFR 501; 31 CFR 515**Legal Deadline:** None

**Abstract:** The Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury is publishing for public comment an updated version of its internal Economic Sanctions Enforcement Guidelines. These Guidelines are being published as separate appendices to two parts of the Code of Federal Regulations: 1) general provisions are being published as an appendix to the Reporting and Procedures Regulations, 31 CFR part 501; and 2) specific provisions focusing on Cuba are being published as an appendix to the Cuban Assets Control Regulations, 31 CFR part 515.

**Timetable:**

Action	Date	
NPRM	01/29/03	68 FR 4422
NPRM Comment Period End	03/31/03	
Final Rule	07/00/03	

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None

**Agency Contact:** Chief of Records,  
Department of the Treasury, Annex-2nd  
Floor, Office of Foreign Assets Control,  
1500 Pennsylvania Avenue NW.,  
Washington, DC 20220  
Phone: 202 622-2530  
Fax: 202 622-1657

**RIN:** 1505-AA95

**2362. • TERRORISM RISK  
INSURANCE PROGRAM**

**Priority:** Other Significant**Legal Authority:** Terrorism Risk  
Insurance Act, title I, PL 107-297, 116  
Stat 2322; 15 USC 6701 note; 5 USC  
301**CFR Citation:** 31 CFR 50**Legal Deadline:** None

**Abstract:** As the statutorily authorized administrator of the Terrorism Risk Insurance Program, Treasury is issuing proposed, interim final, and final regulations to implement the Program. Under the Terrorism Risk Insurance Act, title I, Public Law 107-297, and the Program, the Federal Government shares the risk of insured losses from certified acts of terrorism with commercial property and casualty insurers until the Program sunsets on December 31, 2005. The interim final rule sets forth the purpose and scope of the Program and key definitions Treasury will use in implementing the Program. In general, the interim final rule incorporates guidance previously issued by Treasury concerning these definitions.

**Timetable:**

Action	Date	
Notice of Interim Guidance	12/11/02	67 FR 76206
Notice of Interim Guidance	12/26/02	67 FR 78864
Notice of Interim Guidance	01/29/03	68 FR 4544
NPRM	02/28/03	68 FR 9815
NPRM Comment Period End	03/31/03	
Interim Final Rule	02/28/03	68 FR 9804
Interim Final Rule Effective	02/28/03	
Interim Final Rule Comment Period End	03/31/03	
Final Rule	06/00/03	

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None**URL For Public Comments:**<http://triacomments@do.treas.gov>

**Agency Contact:** Mario Ugoletti,  
Deputy Director, Department of the  
Treasury, Room 3160, Annex, Office of  
Financial Institutions, 1500  
Pennsylvania Avenue NW.,  
Washington, DC 20220  
Phone: 202 622-2730

**RIN:** 1505-AA96

**2363. • DISCLOSURE OF RECORDS IN  
LITIGATION**

**Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 31 USC  
321**CFR Citation:** 31 CFR 1.8 to 1.12**Legal Deadline:** None

**Abstract:** This interim final rule amends Treasury's regulations that govern access to information and records in connection with legal proceedings, including litigation in which neither the United States nor the Department of the Treasury is a party. The amendments elaborate on the procedures used when determining whether employees in the Departmental Offices will be permitted to testify or provide records relating to their official duties when they are directly subpoenaed or otherwise requested to testify. The amendments also specify and clarify the criteria that Treasury officials use when deciding whether to allow an employee to testify or provide records.

**Timetable:**

Action	Date	
Interim Final Rule	03/17/03	68 FR 12584
Interim Final Rule Effective	03/17/03	
Interim Final Rule Comment Period End	04/16/03	
Final Rule	05/00/03	

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** Federal

**Agency Contact:** Thomas M.  
McGivern, Counselor to the General  
Counsel, Department of the Treasury,  
Room 3010, 1500 Pennsylvania Avenue  
NW., Washington, DC 20220  
Phone: 202 622-2317  
Fax: 202 622-2961  
Email: tom.mcgivern@do.treas.gov

**RIN:** 1505-AA97

**Department of the Treasury (TREAS)**  
**Departmental Offices (DO)**
**Long-Term Actions**
**2364. POSSIBLE REGULATION OF ACCESS TO ACCOUNTS AT FINANCIAL INSTITUTIONS THROUGH PAYMENT SERVICE PROVIDERS**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.

**CFR Citation:** 31 CFR ch II

**Timetable:**

Action	Date
ANPRM	01/08/99 64 FR 1149
ANPRM Comment Period End	04/08/99
Next Action Undetermined	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Roger Bezdek  
Phone: 202 622-1807

**RIN:** 1505-AA74

**2365. FINANCIAL ACTIVITIES OF FINANCIAL SUBSIDIARIES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** Not Yet Determined

**Timetable:**

Action	Date
Interim Final Rule	03/20/00 65 FR 14819
Interim Final Rule Effective	03/14/00
Interim Final Rule Comment Period End	05/15/00
Next Action Undetermined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
Phone: 202 622-1976  
Fax: 202 622-1974

Email: gary.sutton@do.treas.gov

**RIN:** 1505-AA80

**2366. FINANCIAL SUBSIDIARIES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** Not Yet Determined

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
Phone: 202 622-1976

Fax: 202 622-1974

Email: gary.sutton@do.treas.gov

**RIN:** 1505-AA81

**2367. SECRETARY'S DETERMINATION OF REAL ESTATE BROKERAGE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1501.2

**Timetable:**

Action	Date
NPRM	01/03/01 66 FR 307
NPRM Comment Period End	03/02/01
NPRM Comment Period Extended	05/01/01 66 FR 12440
Next Action Undetermined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
Phone: 202 622-1976  
Fax: 202 622-1974

Email: gary.sutton@do.treas.gov

**RIN:** 1505-AA84

**2368. SECRETARY'S DETERMINATION OF OTHER ACTIVITIES FINANCIAL IN NATURE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1501.2

**Timetable:**

Action	Date
Interim Final Rule	01/02/01 66 FR 257
Interim Final Rule Effective	01/02/01
Interim Final Rule Comment Period End	02/02/01
Next Action Undetermined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
Phone: 202 622-1976  
Fax: 202 622-1974

Email: gary.sutton@do.treas.gov

**RIN:** 1505-AA85

**2369. COMMON RULE SUSPENSION AND DEBARMENT**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 19; 31 CFR 20

**Timetable:**

Action	Date
NPRM	01/23/02 67 FR 3265

**Action** **Date**  
NPRM Comment 03/25/02  
Period End

Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Cathy Thomas  
Phone: 202 622-0817  
Fax: 202 622-2318

**RIN:** 1505-AA86

**2370. BANK ENTERPRISE AWARD (BEA) PROGRAM**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1806

**Timetable:**

Action	Date
Interim Final Rule	02/04/03 68 FR 5717
Interim Final Rule Comment Period End	04/07/03
Next Action Undetermined	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jeffrey C. Berg  
Phone: 202 622-8530  
Fax: 202 622-8244

Email: bergj@cdfi.treas.gov

**RIN:** 1505-AA91

**2371. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) PROGRAM**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1805

**Timetable:**

Action	Date
Interim Final Rule	02/04/03 68 FR 5704
Interim Final Rule Comment Period End	04/07/03
Next Action Undetermined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Jeffrey C. Berg  
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**RIN:** 1505-AA92

**Department of the Treasury (TREAS)**  
**Departmental Offices (DO)**
**Completed Actions****2372. AMENDMENTS TO THE LARGE POSITION RULES****Priority:** Substantive, Nonsignificant**CFR Citation:** 17 CFR 420**Completed:**

Reason	Date	
Final Action	12/18/02	67 FR 77411
Final Action Effective	01/17/03	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Lori Santamorena

Phone: 202 691-3632

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Lee Grandy

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**RIN:** 1505-AA88**BILLING CODE** 4810-25-S
**Department of the Treasury (TREAS)**  
**Financial Crimes Enforcement Network (FINCEN)**
**Prerule Stage****2373. ● CUSTOMER IDENTIFICATION PROGRAMS FOR TRAVEL AGENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** PL 107-56, sec 326**CFR Citation:** Not Yet Determined**Legal Deadline:** None

**Abstract:** This regulation will require travel agents to adopt and implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date	
ANPRM	02/24/03	68 FR 8571
ANPRM Comment Period End	04/10/03	
NPRM	06/00/03	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183

Phone: 703 905-3590

Fax: 703 905-3735

**RIN:** 1506-AA38**2374. ● CUSTOMER IDENTIFICATION PROGRAMS FOR PAWN BROKERS****Priority:** Substantive, Nonsignificant**Legal Authority:** PL 107-56, sec 326**CFR Citation:** Not Yet Determined**Legal Deadline:** None

**Abstract:** This regulation will require pawn brokers to adopt and implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date	
ANPRM	12/00/03	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183

Phone: 703 905-3590

Fax: 703 905-3735

**RIN:** 1506-AA39**2375. ● CUSTOMER IDENTIFICATION PROGRAMS FOR SELLERS OF VEHICLES****Priority:** Substantive, Nonsignificant**Legal Authority:** PL 107-56, sec 326**CFR Citation:** Not Yet Determined**Legal Deadline:** None

**Abstract:** This regulation will require sellers of vehicles to adopt and implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date	
ANPRM	02/24/03	68 FR 8568
ANPRM Comment Period End	04/10/03	
NPRM	06/00/03	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183

Phone: 703 905-3590

Fax: 703 905-3735

**RIN:** 1506-AA41

Department of the Treasury (TREAS)  
Financial Crimes Enforcement Network (FINCEN)

## Proposed Rule Stage

**2376. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS—DELEGATION OF AUTHORITY TO ASSESS CIVIL MONEY PENALTIES ON DEPOSITORY INSTITUTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5321(e), Bank Secrecy Act

**CFR Citation:** 31 CFR 103

**Legal Deadline:** None

**Abstract:** This notice of proposed rulemaking proposes to delegate to the appropriate Federal banking regulatory agencies, the authority to assess civil money penalties on depository institutions for violations of the Bank Secrecy Act. The regulation would prescribe the parameters of the delegated authority.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA08

**2377. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS— REQUIREMENT THAT FINANCIAL INSTITUTIONS ESTABLISH ANTI-MONEY LAUNDERING PROGRAMS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5316(h)

**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67

**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107-56, sec 352.

**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for various financial institutions, as defined in the Bank Secrecy Act (BSA).

**Timetable:**

Anti-Money Laundering Programs for Businesses Engaged in Vehicle Sales, Including Automobile, Airplane & Boat Sales	
ANPRM	02/24/03 (68 FR 8568)
ANPRM Comment Period End	04/10/03
NPRM	06/00/03

**Anti-Money Laundering Programs for Commodity Trading Advisors**

NPRM 05/05/03 (68 FR 23640)  
NPRM Comment Period End 07/07/03  
Final Rule 12/00/03

**Anti-Money Laundering Programs for Dealers in Precious Metals, Stones or Jewels**

NPRM 02/21/03 (68 FR 8480)  
NPRM Comment Period End 04/22/03  
Final Action 09/00/03

**Anti-Money Laundering Programs for Financial Institutions**

Interim Final Rule 04/29/02 (67 FR 21110)  
Interim Final Rule Comment Period End 05/29/02  
Final Action 12/00/03

**Anti-Money Laundering Programs for Insurance Companies**

NPRM 09/26/02 (67 FR 60625)  
NPRM Comment Period End 11/25/02  
Final Rule 12/00/03

**Anti-Money Laundering Programs for Investment Advisors**

NPRM 05/05/03 (68 FR 23646)  
NPRM Comment Period End 07/07/03  
Final Rule 12/00/03

**Anti-Money Laundering Programs for Loan & Finance Companies**

NPRM 06/00/03

**Anti-Money Laundering Programs for Money Services Businesses**

Interim Final Rule 04/29/02 (67 FR 21114)  
Interim Final Rule Comment Period End 05/29/02  
Final Action 12/00/03

**Anti-Money Laundering Programs for Mutual Funds**

Interim Final Rule 04/29/02 (67 FR 21117)  
Interim Final Rule Comment Period End 05/29/02  
Final Action 12/00/03

**Anti-Money Laundering Programs for Operators of a Credit Card System**

Interim Final Rule 04/29/02 (67 FR 21121)  
Interim Final Rule Comment Period End 05/29/02  
Final Action 12/00/03

**Anti-Money Laundering Programs for Persons Involved in Real Estate Closings and Settlements**

ANPRM 04/10/03 (68 FR 17569)  
ANPRM Comment Period End 06/09/03  
NPRM 12/00/03

**Anti-Money Laundering Programs for Travel Agencies**

ANPRM 02/24/03 (68 FR 8571)  
ANPRM Comment Period End 04/10/03  
NPRM 06/00/03

**Anti-Money Laundering Programs for Unregistered Investment Companies**

NPRM 09/26/02 (67 FR 60617)  
NPRM Comment Period End 11/25/02  
Final Rule 12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury,

Financial Crimes Enforcement Network,  
P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA28

**2378. • CUSTOMER IDENTIFICATION PROGRAMS FOR LOAN AND FINANCE COMPANIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 107-56, sec 326

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** This regulation will require loan and finance companies to adopt and implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA40

**2379. • IMPOSITION OF SPECIAL MEASURES AGAINST THE COUNTRY OF NAURU**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 107-56, sec 311; 31 USC 5318A

**CFR Citation:** 31 CFR 103.184

**Legal Deadline:** None

**Abstract:** This rule will impose "special measures" against Nauru. Nauru was previously designated as a country of primary money laundering concern pursuant to section 311 of the USA Patriot Act on December 20, 2002, a prerequisite for the imposition of special measures.

## TREAS—FINCEN

## Proposed Rule Stage

**Timetable:**

Action	Date
NPRM	04/17/03 68 FR 18914
NPRM Comment Period End	05/19/03
Final Action	12/00/03

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA43**2380. • REQUIREMENT THAT FUTURES COMMISSION MERCHANTS AND INTRODUCING BROKERS IN COMMODITIES REPORT SUSPICIOUS TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5314; 31 USC 5316 to 5332**CFR Citation:** 31 CFR 103.11; 31 CFR 103.17; 31 CFR 103.33; 31 CFR 103.56**Legal Deadline:** None

**Abstract:** This document will add futures commission merchants and introducing brokers in commodities to the regulatory definition of "financial institution," and would require that they report suspicious transactions to FinCEN.

**Timetable:**

Action	Date
NPRM	05/05/03 68 FR 23653
NPRM Comment Period End	07/07/03
Final Rule	12/00/03

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA44

## Department of the Treasury (TREAS)

## Final Rule Stage

## Financial Crimes Enforcement Network (FINCEN)

**2381. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS REGARDING REPORTING OF CROSS-BORDER TRANSPORTATION OF CERTAIN MONETARY INSTRUMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5312(a)(3), Bank Secrecy Act**CFR Citation:** 31 CFR 103**Legal Deadline:** None

**Abstract:** This rule will require reporting of cross-border transportation of certain negotiable instruments.

**Timetable:**

Action	Date
NPRM	01/22/97 62 FR 3249
NPRM Comment Period End	04/22/97
Final Action	12/00/03

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA15**2382. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS—EXEMPTIONS FROM THE REQUIREMENT TO REPORT TRANSACTIONS IN CURRENCY****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5330**CFR Citation:** 31 CFR 103**Legal Deadline:** None

**Abstract:** This document contains an interim final rule that further reforms and simplifies the process by which depository institutions may exempt transactions of retail and other businesses from the requirement to report transactions in currency in excess of \$10,000. The interim final rule is part of a continuing program to reduce unnecessary burdens upon financial institutions complying with the Bank Secrecy Act and increase the cost-effectiveness of the counter-money laundering policies of the Department of the Treasury.

**Timetable:**

Action	Date
Interim Final Rule	07/28/00 65 FR 46356
Interim Final Rule Effective	07/31/00
Interim Final Rule Comment Period End	09/26/00
Final Action	12/00/03

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA23**2383. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS—REQUIREMENT THAT NONFINANCIAL TRADES OR BUSINESSES REPORT CERTAIN CURRENCY TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 et seq; PL 107-56**CFR Citation:** 31 CFR 103.30**Legal Deadline:** Final, Statutory, April 26, 2002, Interim final rule published December 31, 2001.

**Abstract:** This document contains an interim final rule amending the Bank Secrecy Act regulations to require certain persons to report currency received in the course of their trade or business.

## TREAS—FINCEN

## Final Rule Stage

**Timetable:**

Action	Date
NPRM	12/31/01 66 FR 67685
NPRM Comment Period End	03/01/02
Interim Final Rule	12/31/01 66 FR 67680
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA25**2384. DUE DILIGENCE REQUIREMENTS FOR CORRESPONDENT ACCOUNTS AND PRIVATE BANKING ACCOUNTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5318(i)**CFR Citation:** 31 CFR 103.175 to 103.178**Legal Deadline:** Final, Statutory, July 23, 2002, Public Law 107-56, sec 312.

**Abstract:** Section 5318(i) of title 31, U.S. Code, added by section 312 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001 requires U.S. financial institutions to establish due diligence policies, procedures, and controls reasonably designed to detect and report money laundering through correspondent accounts and private banking accounts that U.S. financial institutions establish or maintain for non-U.S. persons. Section 312 takes effect on July 23, 2002, whether or not Treasury has issued a final rule implementing that provision.

**Timetable:**

Action	Date
NPRM	05/30/02 67 FR 37736
NPRM Comment Period End	07/01/02
Interim Final Rule	07/23/02 67 FR 48347
Interim Final Rule Effective	07/23/02
Interim Final Rule Comment Period End	08/22/02
Final Action	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA29**2385. CUSTOMER IDENTIFICATION PROGRAMS FOR BANKS, SAVINGS ASSOCIATIONS, AND CREDIT UNIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5318(l)**CFR Citation:** 31 CFR 103.121

**Legal Deadline:** Final, Statutory, October 25, 2002, Public Law 107-56, sec 352.

**Abstract:** This notice of proposed rulemaking proposes to require banks, savings associations, and credit unions to establish written customer identification programs.

**Timetable:**

Action	Date
NPRM	07/23/02 67 FR 48290
NPRM Comment Period End	09/06/02
Final Action	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA31**2386. CUSTOMER IDENTIFICATION PROGRAM FOR BROKER-DEALERS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5318(l)**CFR Citation:** 31 CFR 103.122

**Legal Deadline:** Final, Statutory, October 25, 2002, Public Law 107-56, sec 352.

**Abstract:** This notice of proposed rulemaking proposes to require securities broker-dealers to establish written customer identification programs.

**Timetable:**

Action	Date
NPRM	07/23/02 67 FR 48206
NPRM Comment Period End	09/06/02
Final Action	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA32**2387. CUSTOMER IDENTIFICATION PROGRAM FOR MUTUAL FUNDS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5318(l)**CFR Citation:** 31 CFR 103.131

**Legal Deadline:** Final, Statutory, October 25, 2002, Public Law 107-56, sec 352.

**Abstract:** This notice of proposed rulemaking proposes to require mutual funds to establish written customer identification programs.

**Timetable:**

Action	Date
NPRM	07/23/02 67 FR 48318
NPRM Comment Period End	09/06/02
Final Action	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA33**2388. FINANCIAL CRIMES ENFORCEMENT NETWORK; AMENDMENT TO THE BANK SECRECY ACT REGULATIONS REQUIREMENT THAT INSURANCE COMPANIES REPORT SUSPICIOUS TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5332

## TREAS—FINCEN

Final Rule Stage

**CFR Citation:** 31 CFR 103.16**Legal Deadline:** None

**Abstract:** This document will require insurance companies to report suspicious transactions to the Department of the Treasury. The amendments constitute a further step in the creation of a comprehensive system for the reporting of suspicious transactions by the major categories of financial institutions operating in the United States as a part of the counter-money laundering program of the Department of the Treasury.

**Timetable:**

Action	Date
NPRM	10/17/02 67 FR 64067
NPRM Comment	12/16/02
Period End	
Final Rule	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA36**2389. • AMENDMENT TO THE BANK SECRECY ACT REGULATIONS— REQUIREMENT THAT MUTUAL FUNDS REPORT SUSPICIOUS TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5331; PL 107-56**CFR Citation:** 31 CFR 103.15**Legal Deadline:** None

**Abstract:** This document contains an amendment to the regulations implementing the statute generally known as the Bank Secrecy Act. The amendment would require mutual funds to report suspicious transactions to the Department of the Treasury. The amendment constitutes a further step in the creation of a comprehensive system for the reporting of suspicious transactions by the major categories of financial institutions operating in the United States, as part of the counter-money laundering program of the Department of the Treasury.

**Timetable:**

Action	Date
NPRM	01/21/03 68 FR 2716
NPRM Comment	03/24/03
Period End	
Final Action	09/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590

Fax: 703 905-3735

**RIN:** 1506-AA37**2390. • FINANCIAL CRIMES ENFORCEMENT NETWORK; DELEGATION OF ENFORCEMENT AUTHORITY REGARDING THE FOREIGN BANK ACCOUNT REPORT REQUIREMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5332; PL 107-56, sec 312; PL 107-56, sec 314; PL 107-56, sec 352**CFR Citation:** 31 CFR 103.56**Legal Deadline:** None

**Abstract:** FinCEN is amending the regulations implementing the Bank Secrecy Act to reflect that enforcement authority with respect to the foreign bank account report requirements of 31 CFR part 103 has been delegated from FinCEN to the Commissioner of the Internal Revenue Service.

**Timetable:**

Action	Date
Final Action	05/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA45

## Department of the Treasury (TREAS)

Long-Term Actions

## Financial Crimes Enforcement Network (FINCEN)

**2391. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS— SPECIAL REPORTING AND RECORDKEEPING REQUIREMENTS— MONEY SERVICES BUSINESSES (MSBS)****Priority:** Substantive, Nonsignificant**CFR Citation:** 31 CFR 103**Timetable:**

Action	Date
NPRM	05/21/97 62 FR 27909
NPRM Comment	09/30/97
Period End	
Final Action	To Be Determined

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA19



**Department of the Treasury (TREAS)**  
**Financial Crimes Enforcement Network (FINCEN)**
**Completed Actions**
**2392. FINANCIAL CRIMES ENFORCEMENT NETWORK; AMENDMENT TO THE BANK SECRECY ACT REGULATIONS— REQUIREMENTS THAT CURRENCY EXCHANGERS REPORT SUSPICIOUS TRANSACTIONS**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 31 CFR 103.20

**Completed:**

Reason	Date
NPRM	10/17/02 67 FR 64075
Final Rule	02/10/03 68 FR 6613
Final Action Effective	03/12/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel  
 Phone: 703 905-3590  
 Fax: 703 905-3735

**RIN:** 1506-AA34  
**BILLING CODE** 4820-02-S

**Department of the Treasury (TREAS)**  
**Financial Management Service (FMS)**
**Proposed Rule Stage**
**2393. INDORSEMENT AND PAYMENT OF CHECKS DRAWN ON THE UNITED STATES TREASURY**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 12 USC 391; 31 USC 321; 31 USC 3327; 31 USC 3328; 31 USC 3331; 31 USC 3334; 31 USC 3343; 31 USC 3702; 31 USC 3702 note; 31 USC 3711; 31 USC 3712; 31 USC 3716; 31 USC 3717; 318 US 363 (1943); 332 US 234 (1947)

**CFR Citation:** 31 CFR 240

**Legal Deadline:** None

**Abstract:** Notice of proposed rulemaking II (NPRM II) was a reissuance of NPRM I published on September 21, 1995, which proposed to fix the time by which Treasury can decline payment on Treasury checks, provide financial institutions with a date certain for final payments, and provide greater clarity by defining previously undefined terms. NPRM I also proposed that the Department of the Treasury may instruct Federal Reserve Banks to intercept benefit payment checks to deceased payees and to return, unpaid, those checks. In addition to the revisions proposed in NPRM I, NPRM II announced the Department of the Treasury's intent that this regulation supersede Federal common law regarding the risk of loss on checks containing forged disbursing officer signatures, such as counterfeits. The Interim Final Rule will amend this regulation to implement provisions of the Debt Collection Improvement Act of 1996 authorizing the collection of debts owed by presenting banks through Treasury Check Offset. NPRM III is a reissuance of NPRM II and will address, at a minimum, the issues in NPRMs I and II.

**Timetable:**

Action	Date
NPRM I	09/21/95 60 FR 48940
NPRM Comment Period End	11/06/95
NPRM II	05/30/97 62 FR 29314
NPRM	05/00/03
Final Rule	08/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Ronald E. Brooks, Senior Program and Policy Analyst, Financial Operations, Department of the Treasury, Financial Management Service, Room 725-D, 3700 East-West Highway, Hyattsville, MD 20782  
 Phone: 202 874-7573  
 Email: ronald.brooks@fms.treas.gov

**RIN:** 1510-AA45

**2394. CLAIMS ON ACCOUNT OF TREASURY CHECKS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 321; 31 USC 3328; 31 USC 3331; 31 USC 3343; 31 USC 3702; 31 USC 3712

**CFR Citation:** 31 CFR 245

**Legal Deadline:** None

**Abstract:** Title 31 CFR part 245 governs the issuance of replacement checks for checks drawn on the United States Treasury when: 1) the original check has been lost, stolen, destroyed or mutilated or defaced to such an extent that it is rendered non-negotiable; 2) the original check has been negotiated and paid on a forged or unauthorized indorsement; and 3) the original check has been cancelled pursuant to 31 CFR part 240. This regulation is being revised to update the regulation's definitions to make them consistent

with the language of the proposed revisions to the definitions in 31 CFR part 240. Other revisions will govern the use of the Check Forgery Insurance Fund (Fund). The Fund is a revolving fund established to settle payee claims of non-receipt where the original check has been fraudulently negotiated. The Fund ensures that innocent payees, whose Treasury checks have been fraudulently cashed, receive replacement checks in a timely manner.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Ella White, Program Analyst, Department of the Treasury, Financial Management Service, Room 8D25, 3700 East-West Highway, Hyattsville, MD 20782  
 Phone: 202 874-8445  
 Email: ella.white@fms.treas.gov

**RIN:** 1510-AA51

**2395. PAYMENT OF FEDERAL TAXES AND THE TREASURY TAX AND LOAN PROGRAM**

**Priority:** Other Significant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 12 USC 90; 12 USC 265; 12 USC 266; 12 USC 321; 12 USC 323; 12 USC 332; 12 USC 391; 12 USC 1452(d); 12 USC 1464(k); 12 USC 1767; 12 USC 1789(a); 12 USC 2013; 12 USC 2122; 12 USC 3102; 12 USC 6302; 31 USC 3301 to 3304

**CFR Citation:** 31 CFR 203

**Legal Deadline:** None

**Abstract:** This first rule amends the regulation to provide the Secretary greater flexibility to adjust the rate of

## TREAS—FMS

## Proposed Rule Stage

interest charged on funds loaned through the Treasury Tax and Loan (TT&L) program. The rule also allows for a new TT&L investment option for financial institutions. This second rule includes general revisions that will provide needed updates to support operational changes to the system used for the collection of corporate withholding taxes and the investment of the Government's excess operating funds, and incorporate other needed updates.

**Timetable:****General Revisions**

NPRM 07/00/03  
Final Rule 11/00/03

**Treasury Tax and Loan Rate of Interest**

NPRM 07/30/99 (64 FR 41747)  
NPRM Comment Period End 09/28/99  
Final Action 03/15/02 (67 FR 11573)

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Catherine McHugh, Senior Financial Program Specialist, Department of the Treasury, Financial Management Service, Room 415B, Federal Finance, Asset Management Directorate, Risk Management Division, 401 14th Street SW., Washington, DC 20227

Phone: 202 874-7497

Email: catherine.mchugh@fms.treas.gov

**RIN:** 1510-AA79

### 2396. MANAGEMENT OF FEDERAL AGENCY RECEIPTS AND DISBURSEMENTS; OPERATION OF THE CASH MANAGEMENT IMPROVEMENT FUND

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 5 USC 301; 31 USC 321; 31 USC 3301; 31 USC 3302; 31 USC 3321; 31 USC 3327; 31 USC 3332; 31 USC 3335; 31 USC 3720; 31 USC 6503

**CFR Citation:** 31 CFR 206

**Legal Deadline:** None

**Abstract:** This regulation governs collection and deposit regulations requiring timely methods, principally Electronic Funds Transfer (EFT), for the collection and deposit of funds as authorized by section 2652 of the Deficit Reduction Act of 1984. This regulation also incorporates revisions authorized by the Cash Management Act of 1990 and the Cash Management Improvement Act Amendments of 1992. These revisions require executive agencies to use effective, efficient disbursement mechanisms, principally EFT, in the delivery of payments. An agency's failure to comply with this regulation may result in a charge equal to the cost of such non-compliance to the Treasury's General Fund.

**Timetable:**

Action	Date
NPRM	11/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Stephen Kenneally, Financial Program Specialist, Cash Management Policy and Planning Division, Department of the Treasury, Financial Management Service, Room 408D, 401 14th Street SW., Washington, DC 20227

Phone: 202 874-6799

Email: stephen.kenneally@fms.treas.gov

**RIN:** 1510-AA86

### 2397. WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY, AND COUNTY INCOME, OR EMPLOYMENT TAXES BY FEDERAL AGENCIES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 5516; 5 USC 5517; 5 USC 5520; EO 1197, sec 4

**CFR Citation:** 31 CFR 215

**Legal Deadline:** None

**Abstract:** This regulation governs the agreements entered into by the Department of the Treasury and State and local governments for the withholding of State and local income taxes from the compensation of Federal employees.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal, State, Local

**Agency Contact:** Stephen Kenneally, Financial Program Specialist, Cash Management Policy and Planning Division, Department of the Treasury, Financial Management Service, Room 408D, 401 14th Street SW., Washington, DC 20227

Phone: 202 874-6799

Email: stephen.kenneally@fms.treas.gov

**RIN:** 1510-AA90

## Department of the Treasury (TREAS)

## Final Rule Stage

## Financial Management Service (FMS)

### 2398. FOREIGN EXCHANGE OPERATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 22 USC 2363; 31 USC 3513; EO 10488; EO 10900

**CFR Citation:** 31 CFR 281

**Legal Deadline:** None

**Abstract:** This regulation governs the administration of the purchase,

custody, deposit, transfer, sale, and reporting of foreign exchange (including credits and currencies) by executive departments and agencies. Currently, this regulation allows the purchase of foreign currency to an amount which, together with the balance on hand in the bank, may not exceed estimated requirements for a 30-day period. The revised rule allows the purchase of foreign currency to a

balance "commensurate with immediate disbursing requirements."

**Timetable:**

Action	Date
NPRM	01/29/96 61 FR 2750
NPRM Comment Period End	02/28/96
Final Action	11/00/03

**Regulatory Flexibility Analysis**

**Required:** No

## TREAS—FMS

## Final Rule Stage

**Government Levels Affected:** Federal

**Agency Contact:** Stephen Kenneally, Financial Program Specialist, Cash Management Policy and Planning Division, Department of the Treasury, Financial Management Service, Room 408D, 401 14th Street SW., Washington, DC 20227  
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Walt Henderson, Senior Financial Program Specialist, Cash Management Policy and Planning Directorate, Department of the Treasury, Financial Management Service, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-6705  
Email: walt.henderson@fms.treas.gov  
**RIN:** 1510-AA48

**2399. PAYMENTS UNDER JUDGMENT AND PRIVATE RELIEF ACTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 104-53; PL 104-316; 28 USC 2414; 28 USC 2517; 31 USC 1304

**CFR Citation:** 31 CFR 256

**Legal Deadline:** None

**Abstract:** This regulation governs the procedures for securing payment for money judgments against the United States. The proposed revision will update these procedures. This revision will benefit claimants and others in understanding the judgment payment process. This regulation currently describes a process that involves the General Accounting Office (GAO) and the Treasury Department. The revision will remove the GAO from this description to reflect legislative amendments that effect this change. Also, the regulation currently identifies monetary thresholds that no longer exist. The change will reflect the removal of these monetary limitations. These revisions will make the regulation consistent with current procedures for securing payment of money judgments against the United States.

**Timetable:**

Action	Date
NPRM	01/08/96 61 FR 552
NPRM Comment Period End	02/07/96
Final Action	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No**Government Levels Affected:** Federal

**Agency Contact:** Wanda Rogers, Director, Financial Accounting and Services Division, Department of the Treasury, Financial Management Service, Room 620D, 3700 East-West Highway, Hyattsville, MD 20782  
Phone: 202 874-8380  
Email: wanda.rogers@fms.treas.gov

**RIN:** 1510-AA52

**2400. OFFSET OF FEDERAL PAYMENTS (OTHER THAN TAX REFUND AND FEDERAL BENEFIT PAYMENTS) TO COLLECT PAST-DUE, LEGALLY ENFORCEABLE NONTAX DEBT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 321; 31 USC 3716

**CFR Citation:** 31 CFR 285.5

**Legal Deadline:** None

**Abstract:** This rule governs the administrative offset of Federal payments by disbursing officials of the United States.

**Timetable:**

Action	Date
Interim Final Rule	12/26/02 67 FR 78936
Final Rule	10/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt Management Service, Department of the Treasury, Financial Management Service, Room 44AB, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-7131  
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Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA65

**2401. SALARY OFFSET**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 5514

**CFR Citation:** 31 CFR 285.7

**Legal Deadline:** None

**Abstract:** This rule governs the centralized computer matching of Federal employee records for purposes of salary offset to collect nontax delinquent debt owed the Federal Government.

**Timetable:**

Action	Date
Interim Final Rule	04/28/98 63 FR 23353
Final Action	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt Management Service, Department of the Treasury, Financial Management Service, Room 44AB, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-7131  
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Email: gerald.isenberg@fms.treas.gov  
**RIN:** 1510-AA70

**2402. OFFSET OF TAX REFUND PAYMENT TO COLLECT STATE INCOME TAX OBLIGATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6402(e)

**CFR Citation:** 31 CFR 285.8

**Legal Deadline:** None

**Abstract:** This rule governs the offset of Federal tax refund payments to collect delinquent State income taxes.

**Timetable:**

Action	Date
NPRM	12/20/99 64 FR 71233
Interim Final Rule	12/20/99 64 FR 71227
Final Action	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** State, Federal

**Federalism:** Undetermined

**Agency Contact:** Dean Balamaci, Director, Business and Agency Liaison Division, Department of the Treasury, Financial Management Service  
Phone: 202 874-6660

**RIN:** 1510-AA78

**2403. 2003 ACH RULES**

**Priority:** Other Significant

**Legal Authority:** 5 USC 5525; 12 USC 391; 31 USC 321; 31 USC 3301; 31 USC 3302; 31 USC 3321; 31 USC 3332; 31 USC 3335; 31 USC 3720

**CFR Citation:** 31 CFR 210

**Legal Deadline:** None

**Abstract:** This revision of 31 CFR part 210 will reconcile Government

## TREAS—FMS

## Final Rule Stage

Automated Clearing House (ACH) regulations and private industry rules, as set forth by the National Automated Clearing House Association, by updating the incorporation of certain industry rules into Federal law for the year 2003.

**Timetable:**

Action	Date
Interim Final Rule	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Donald Skiles, Senior Financial Program Specialist, Department of the Treasury, Financial Management Service, Federal Finance, Asset Management Directorate, Risk Management Division, 401 14th Street SW., Washington, DC 20227

Phone: 202 874-6994  
Email: donald.skiles@fms.treas.gov

**RIN:** 1510-AA89

**2404. • FEDERAL CLAIMS COLLECTION STANDARD—COLLECTION BY INSTALLMENTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 3711; 31 USC 3717

**CFR Citation:** 31 CFR 901.9

**Legal Deadline:** None

**Abstract:** Section 901.9, paragraph(f) is being modified to state that when an administrative charge is being paid out of amounts collected from the debtor, a partial or installment payment on a debt should be applied to that charge first, then to penalties, other

administrative charges, interest, and principal.

**Timetable:**

Action	Date
Interim Final Rule	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** State, Local, Tribal, Federal

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt Management Service, Department of the Treasury, Financial Management Service, Room 44AB, 401 14th Street SW., Washington, DC 20227

Phone: 202 874-7131

Fax: 202 874-7494

Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA91

**Department of the Treasury (TREAS)  
Financial Management Service (FMS)**

## Long-Term Actions

**2405. OFFSET OF FEDERAL PAYMENTS (OTHER THAN TAX REFUND AND FEDERAL BENEFIT PAYMENTS) TO COLLECT PAST-DUE DEBTS OWED TO STATES (OTHER THAN CHILD SUPPORT)**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 285.6

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** State

**Federalism:** Undetermined

**Agency Contact:** Gerry Isenberg  
Phone: 202 874-7131  
Fax: 202 874-7494

Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA66

**2406. PUBLIC DISSEMINATION OF IDENTITY OF DELINQUENT DEBTORS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 285.14

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Gerry Isenberg  
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Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA72

**2407. SURETY BOND REIMBURSEMENT FUND**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**CFR Citation:** 31 CFR 223

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Wanda Rogers  
Phone: 202 874-8380  
Email: wanda.rogers@fms.treas.gov

**RIN:** 1510-AA85

**BILLING CODE** 4810-35-S

**Department of the Treasury (TREAS)  
Tax and Trade Bureau (TTB)**

## Proposed Rule Stage

**2408. EXPORTATION OF LIQUORS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 27 CFR 252

**Legal Deadline:** None

**Abstract:** TTB proposes the recodification of 27 CFR part 252 to part 28 to eliminate obsolete or

unnecessary rules and forms and streamline export processing, while providing adequate protection for the revenue.

**Timetable:**

Action	Date
ANPRM	09/08/92 57 FR 40887
ANPRM Comment Period End	10/08/92

Action	Date
ANPRM Comment Period Extended	10/15/92 57 FR 47320
ANPRM Comment Period Extended End	12/07/92
ANPRM	08/09/96 61 FR 41500
ANPRM Comment Period End	12/10/96
NPRM	01/00/04

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## Proposed Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AA98**Agency Contact:** Joanne Brady, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 215 333-7050**RIN:** 1513-AA00**2409. REVISION OF BREWERY REGULATIONS AND ISSUANCE OF REGULATIONS FOR TAVERNS ON BREWERY PREMISES (BREWPUBS)****Priority:** Other Significant**Legal Authority:** 26 USC 5051 to 5057; 26 USC 5401 to 5418; 27 USC 205**CFR Citation:** 27 CFR 7; 27 CFR 25**Legal Deadline:** None

**Abstract:** TTB intends to streamline regulations applying to breweries. TTB will eliminate obsolete regulatory provisions. A formula system for manufactured beer products will replace statements of process attached to the brewers notice. The annual notice for small brewers to pay the reduced rate of tax will be eliminated. Separate regulations for brewpubs will be added to part 25. A section will be added to part 25 to authorize and regulate the alternating use of brewery premises by different brewers. Regulations authorizing the operation of brew-on-premises facilities will be added to part 25.

**Statement of Need:** TTB intends to streamline its regulations applying to the brewing industry. These changes will simplify brewery reports and operations and eliminate obsolete regulatory provisions. Specific changes would include the implementation of a formula system for the breweries to replace the statement of process; the establishment of a separate subpart containing simplified regulations for brewpubs; authorizing alternating brewery premises among different proprietors; eliminating the annual notice to pay the reduced rate of tax for most breweries; authorizing brewers to file the Brewer's Report of Operations on a quarterly basis; and authorizing many brewers to take inventories quarterly rather than monthly. The rule will also propose minimum production standards for beer thereby reducing formula filings and a

revised statement of net contents requirement for certain container sizes.

**Summary of Legal Basis:** TTB has undertaken this review of brewery regulations as part of the President's Regulatory Initiative. These regulations are issued under the general authority of the Secretary of the Treasury to promulgate regulations to implement the Internal Revenue Code and the Federal Alcohol Administration Act.

**Alternatives:** Not applicable. TTB believes that industry will support these regulatory changes because they will streamline regulatory requirements applying to the brewing industry.

**Anticipated Cost and Benefits:** The proposed regulations will benefit the brewing industry by reducing required inventories, notices, and other submissions to TTB.

**Risks:** Not applicable.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AB37**Agency Contact:** Joanne Brady, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 215 333-7050**RIN:** 1513-AA02**2410. PROHIBITION OF ALCOHOL BEVERAGE CONTAINERS AND STANDARD OF FILL FOR DISTILLED SPIRITS AND WINE****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 4; 27 CFR 5; 27 CFR 7**Legal Deadline:** None

**Abstract:** TTB proposes to amend regulations to clarify the standards of fill for distilled spirits and wine. TTB also proposes to amend regulations to prohibit certain alcohol beverage containers that are likely to mislead consumers as to the identity or character of the distilled spirits, wine, or malt beverage products or to be confused with other (nonalcohol) food products.

**Timetable:**

Action	Date
NPRM	02/09/99 64 FR 6486
NPRM Comment Period End	04/12/99
Revised NPRM-Aggregate Packaging	12/00/03
Revised NPRM-Deceptive Packaging	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AB89**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Room 5000, Washington, DC 20226  
Phone: 301 290-1460  
Fax: 202 927-8525  
Email: lisa.gesser@ttb.gov**RIN:** 1513-AA07**2411. AMENDED STANDARD OF IDENTITY FOR SHERRY****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 4**Legal Deadline:** None

**Abstract:** TTB is considering a petition to allow certain types of wine to be labeled as "sherry" rather than "light sherry."

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AB96**Agency Contact:** Marjorie D. Ruhf, Program Manager, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210  
Email: marjorie.ruhf@ttb.gov**RIN:** 1513-AA08

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**2412. FLAVORED MALT BEVERAGES****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 211, 205; 26 USC 5052**CFR Citation:** 27 CFR 7; 27 CFR 25**Legal Deadline:** None

**Abstract:** TTB issued Rulings 96-1 and 2002-2 to address production and labeling of flavored malt beverages. TTB is studying the issue of flavored malt beverages and is considering rulemaking to address production, identity, labeling, formulation, and tax issues.

**Timetable:**

Action	Date
NPRM	03/24/03 68 FR 17760
NPRM Comment Period End	06/23/03
Final Action	01/00/04

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC11

**Agency Contact:** Charles N. Bacon, Program Manager, Department of the Treasury, Tax and Trade Bureau, Room 701, 10 Causeway Street, Boston, MA 02222

Phone: 617 557-1323

Fax: 617 557-1251

Email: charles.bacon@ttb.treas.gov

**RIN:** 1513-AA12**2413. DETERMINATION OF TAX AND RECORDKEEPING ON LARGE CIGARS****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 5701; 27 USC 5702**CFR Citation:** 27 CFR 40; 27 CFR 275**Legal Deadline:** None

**Abstract:** This notice incorporates most of the parts of Industry Circular 91-3, dated March 19, 1991, entitled "Large Cigar Taxes On and After January, 1991" that have not been placed in the regulations. Industry Circular 91-3 addressed questions about determining the amount of tax for large cigars based on their sale price. In addition, this notice proposes: 1) to give guidance on tax adjustments for large cigars provided at no cost in connection with a sale, and 2) recordkeeping

requirements for persons in Puerto Rico, who bring large cigars upon prepayment or deferred payment of tax into the United States from Puerto Rico.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC22

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau Phone: 202 927-8181

**RIN:** 1513-AA16**2414. PRODUCTION OF DRIED FRUIT AND HONEY WINES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 5381; 26 USC 5382; 26 USC 5385; 26 USC 5386; 26 USC 5387**CFR Citation:** 27 CFR 24**Legal Deadline:** None

**Abstract:** TTB has received two petitions relating to the production of agricultural wines. One petition proposes that the wine regulations be amended to allow for the production of dried fruit wines with an alcohol by volume content of more than 14 percent. The second petition proposes that the regulations be amended to allow for the production of honey wines with a starting Brix of less than 22 degrees.

**Timetable:**

Action	Date
NPRM	05/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC48

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014 Phone: 540 344-9333

**RIN:** 1513-AA21**2415. PETITION TO ESTABLISH THE "SANTA BARBARA HIGHLANDS" VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of the "Santa Barbara Highlands" as an American viticultural area. The proposed Santa Barbara Highlands area is located in Santa Barbara and Ventura Counties in California. The petition was submitted by Nebil Zarif, President, Barnwood Vineyards.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC53

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226 Phone: 202 927-8196 Fax: 202 927-8525

**RIN:** 1513-AA24**2416. REGULATORY CHANGES FROM CUSTOMS SERVICE FINAL RULE (2001R-140T)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 27 CFR 44**Legal Deadline:** None

**Abstract:** The temporary rule prescribes TTB regulations relating to a U.S. Customs Service (USCS) final rule (T.D. 92-181, 57 FR 37692). The USCS published this final rule to create a separate class of customs bonded warehouse duty-free store (class 9). A class 9 customs bonded warehouse may receive tobacco products or cigarette papers or tubes without payment of Federal excise tax. The temporary rule prescribes the regulations that allow a manufacturer of tobacco products or cigarette papers and tubes and an export warehouse proprietor to send

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such articles to a class 9 customs bonded warehouse. In addition, the temporary rule prescribes regulations that allow a proprietor of a customs bonded manufacturing warehouse to send such cigars to a class 9 customs bonded warehouse. This notice of proposed rulemaking invites comments on the temporary rule.

**Timetable:**

Action	Date
NPRM	12/00/03
Interim Final Rule	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC56

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA26**2417. SHIPMENTS OF TOBACCO PRODUCTS OR CIGARETTE PAPERS OR TUBES WITHOUT PAYMENT OF TAX****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 27 CFR 40; 27 CFR 275**Legal Deadline:** None

**Abstract:** The proposed rule clarifies regulations and establishes procedures governing tobacco products or cigarette papers or tubes brought in bond from Puerto Rico to the United States. In addition, the proposed rule would allow a manufacturer of tobacco products to receive in bond, cigarette papers and tubes for placement in packages of roll-your-own tobacco, and would eliminate filing bond extensions for tobacco products and cigarette papers or tubes from the U.S. Virgin Islands.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC57

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA27**2418. PROPOSED "SAN BERNABE" VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The TTB has received petitions proposing the establishment of the "San Bernabe" viticultural area and the realignment of the San Lucas American Viticultural Area (AVA). Both areas are situated within the Central Coast AVA and the Monterey AVA and are located in central Monterey County, California. The proposed San Bernabe AVA would consist of 24,796 acres of land that the petitioner states is predominantly rolling hills with sandy soils that differ from the surrounding Monterey AVA. The San Lucas realignment would transfer 1,100 of its northwest acres to the proposed San Bernabe southern area in an effort to conform with geographic considerations of the new area. These proposals are the result of petitions filed by Claude Hoover of Delicato Family Vineyards.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC60

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA28**2419. PETITION TO ESTABLISH THE "TRINITY LAKE" VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB has received a petition from Keith Groves of Alpen Cellars proposing the establishment of a viticultural area located in Trinity County, California. The proposed Trinity Lake viticultural area consists of approximately 96,000 acres.

**Timetable:**

Action	Date
NPRM	08/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC62

**Agency Contact:** Timothy P. DeVaney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226  
Phone: 202 927-8196  
Fax: 202 927-8525

**RIN:** 1513-AA29**2420. REMOVAL OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES WITHOUT PAYMENT OF TAX FOR USE OF THE UNITED STATES****Priority:** Info./Admin./Other**Legal Authority:** 26 USC 7805**CFR Citation:** 27 CFR 45**Legal Deadline:** None

**Abstract:** This proposed rule revises, in plain language, the existing regulations relating to the removal of tobacco products and cigarette papers and tubes, without payment of tax, for use of the United States. TTB is proposing this rule to clearly communicate the requirements of these regulations. In addition, we are liberalizing the requirements for emergency variations.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

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**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC75

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA38

#### 2421. PETITION TO ESTABLISH "EOLA HILLS" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of "Eola Hills" as a new American viticultural area in Oregon.

**Timetable:**

Action	Date
NPRM	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC78

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014  
Phone: 540 344-9333

**RIN:** 1513-AA41

#### 2422. PROPOSED ADDITION OF NEW GRAPE VARIETY NAMES FOR AMERICAN WINES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 4

**Legal Deadline:** None

**Abstract:** TTB has received petitions proposing to add several names to the list of grape variety names used to designate American wines.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC79

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014  
Phone: 540 344-9333

**RIN:** 1513-AA42

#### 2423. PETITION TO ESTABLISH "COLUMBIA GORGE" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of the "Columbia Gorge" viticultural area located in Hood River and Wasco Counties, Oregon and Skamania and Klickitat Counties, Washington. The area is approximately 280 square miles covering 179,200 acres with 284 acres presented planted to wine grapes.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC81

**Agency Contact:** Bernard J. Kipp, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 503 356-1341

**RIN:** 1513-AA43

#### 2424. MARKS, LABELS, NOTICES AND BONDS FOR, AND REMOVAL OF, TOBACCO PRODUCTS, AND CIGARETTE PAPERS AND TUBES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5704; 26 USC 7805

**CFR Citation:** 27 CFR 40; 27 CFR 275

**Legal Deadline:** None

**Abstract:** This notice of proposed rulemaking requires labels, notices and marks for removals, in bond, of tobacco

products or cigarette papers and tubes that are not in packages. This notice proposes new sections that prohibit the removal of tobacco products or cigarette papers or tubes that are not in packages for domestic uses. Packages are the immediate containers in which a manufacturer or importer places the tobacco products or cigarette papers or tubes for sale or delivery to the consumer. Also, this notice broadens the language for extending bonds so that manufacturers may receive tobacco products, cigarette papers and tubes, without payment of tax, from Puerto Rico. This notice may affect the operations conducted by manufacturers of tobacco products or cigarette papers and tubes and importers of tobacco products.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC90

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA49

#### 2425. PETITION TO ESTABLISH "DUNDEE HILLS" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition from the North Willamette Valley AVA Group proposing to establish the "Dundee Hills" American viticultural area in Yamhill County, Oregon. This petitioned viticultural area has 6,490 acres, with 1,264 acres planted to wine grapes, and is on the north side of the Willamette Valley viticultural area in northwest Oregon. In November 2002, the petitioning group amended their viticultural area petition from the Red Hills of Dundee to the Dundee Hills to avoid confusion with any other Red Hills viticultural area. Substantiating name evidence for the "Dundee Hills" name has been provided.



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**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC91

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA50

#### 2426. PETITION TO ESTABLISH "SANTA MARIA BENCH" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition from Cambria Winery and Vineyard proposing to establish the "Santa Maria Bench" viticultural area in Santa Barbara County, California. The petitioned viticultural area has 3,200 acres, with 1,500 acres planted to wine grapes, and is within the established Santa Maria and the Central Coast viticultural areas.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC93

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA51

#### 2427. IN-TRANSIT STOPS OF TOBACCO PRODUCTS, AND CIGARETTE PAPERS AND TUBES WITHOUT PAYMENT OF TAX

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5704

**CFR Citation:** 27 CFR 40; 27 CFR 44

**Legal Deadline:** None

**Abstract:** This notice is the result of a petition from the Cigar Association of America and the Pipe Tobacco Council. The petition requests that TTB change its position regarding in-transit stops of tobacco products and cigarette papers and tubes after removal without payment of tax from a factory. TTB has taken the position that the law provides that manufacturers may remove the tobacco products and cigarette papers and tubes by paying the excise tax and subsequently filing a claim for drawback. This notice proposes to clarify the regulations to recognize such in-transit stops and specifies records that manufacturers and export warehouse proprietors maintain relating to the removals without payment of tax.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC95

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA52

#### 2428. PETITION TO ESTABLISH "SNAKE RIVER VALLEY" AS A NEW VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition proposing "Snake River Valley" as a new American viticultural area located in the States of Idaho and Washington.

**Timetable:**

Action	Date
NPRM	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC98

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226  
Phone: 202 927-8196  
Fax: 202 927-8525

**RIN:** 1513-AA53

#### 2429. PETITION TO EXPAND THE LIVERMORE VALLEY VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition proposing to expand the boundaries of approved American viticultural area Livermore Valley located in the State of California. The proposed expanded boundaries encompass approximately 259,000 acres, of which 4,355 acres are devoted to vineyards. The expansion would add approximately 163,000 acres, 120 acres of vineyards and four wineries to the area.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC99

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226  
Phone: 202 927-8196  
Fax: 202 927-8525

**RIN:** 1513-AA54

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**2430. SAN FRANCISCO BAY AND CENTRAL COAST VITICULTURAL AREAS—BOUNDARY REALIGNMENT/EXPANSION****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB received a petition proposing an expansion/realignment of the boundaries of approved American viticultural areas San Francisco Bay and Central Coast located in the State of California. In total, the proposed expanded boundaries encompass approximately 20,000 acres.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AD00

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226  
Phone: 202 927-8196  
Fax: 202 927-8525

**RIN:** 1513-AA55**2431. PETITION TO ESTABLISH "UPPER ARROYO GRANDE" AS A NEW AMERICAN VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB received a petition proposing the establishment of "Upper Arroyo Grande," located in the State of California, as a new American viticultural area.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AD01

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226  
Phone: 202 927-8196  
Fax: 202 927-8525

**RIN:** 1513-AA56**2432. PETITION TO ESTABLISH "CHEHALEM MOUNTAINS" AS A NEW AMERICAN VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of the "Chehalem Mountains" viticultural area located in Yamhill, Washington, and Clackamas Counties, Oregon.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AD02

**Agency Contact:** Bernard J. Kipp, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 503 356-1341

**RIN:** 1513-AA57**2433. PETITION TO ESTABLISH "RIBBON RIDGE" AS A NEW AMERICAN VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of the "Ribbon Ridge" viticultural area located in the northern part of Yamhill County, Oregon between Newberg and Gaston.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AD03

**Agency Contact:** Bernard J. Kipp, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 503 356-1341

**RIN:** 1513-AA58**2434. PETITION TO ESTABLISH "YAMHILL-CARLTON DISTRICT" AS A NEW AMERICAN VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of the "Yamhill-Carlton District" viticultural area. The proposed area falls within the approved boundaries of the Willamette Valley viticultural area in northwest Oregon.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AD04

**Agency Contact:** Bernard J. Kipp, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 503 356-1341

**RIN:** 1513-AA59**2435. ELECTRONIC SIGNATURES; ELECTRONIC SUBMISSION OF FORMS TO TTB (2000R-458P)****Priority:** Other Significant**Legal Authority:** Not Yet Determined**CFR Citation:** Not Yet Determined**Legal Deadline:** None

**Abstract:** TTB proposes to amend the regulations to permit industry members to use electronic technology to reduce the need for and storage of paper documents. In order to accomplish our

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## Proposed Rule Stage

goals, we are proposing to allow industry members to: (1) use electronic signatures to sign certain forms instead of using traditional handwritten signatures; and (2) submit certain forms to TTB electronically through an electronic document receiving system that we approve.

**Timetable:**

Action	Date
NPRM	04/11/03 68 FR 17760
NPRM Comment Period End	05/12/03
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC84

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Room 5000, Washington, DC 20226  
Phone: 301 290-1460  
Fax: 202 927-8525  
Email: lisa.gesser@ttb.gov

**RIN:** 1513-AA61

**2436. • PETITION TO ESTABLISH "MCMINNVILLE" AS AN AMERICAN VITICULTURAL AREA IN OREGON**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing "McMinnville" as a new American viticultural area in Oregon.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014  
Phone: 540 344-9333

**RIN:** 1513-AA63

**2437. • PETITION TO ESTABLISH THE "FORT ROSS SEAVIEW" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition from Patrick Shabram proposing to establish the "Fort Ross Seaview" American viticultural area in north Sonoma County, California.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA64

**2438. • PETITION TO ESTABLISH THE "ALEXANDER MOUNTAIN" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition from the Jackson Family Investment of Santa Rosa, California, to establish the "Alexander Mountain" viticultural area in Sonoma County, California.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226

Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA65

**2439. PETITION TO ESTABLISH "GRAND LAKE O' THE CHEROKEES" AS A NEW AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition proposing "Grand Lake O' the Cherokees" as a new American viticultural area in Oklahoma. The proposed area is located in the northeastern region of the State. The proposed viticultural area encompasses Craig and portions of Ottawa, Delaware, and Hayes Counties.

**Timetable:**

Action	Date
NPRM	03/00/04

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC97

**Agency Contact:** Timothy P. DeVanne, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226  
Phone: 202 927-8196  
Fax: 202 927-8525

**RIN:** 1513-AA66

**2440. • PETITION NO. 2 TO EXPAND THE RUSSIAN RIVER VALLEY VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition in January 2003, from Russian River Valley Winegrowers group proposing to expand the Russian River Valley viticultural area's south and east boundaries area by 30,200 acres in Sonoma County, California.

TTB received a separate Russian River Valley expansion petition in August

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## Proposed Rule Stage

2002, from Mr. Donald Carano proposing a 767-acre east boundary expansion, located within this larger proposed expansion area. Mr. Carano's expansion petition has been addressed in a separate NPRM and is being prepared for a final rule.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**Related RIN:** Related To 1513-AA68

**RIN:** 1513-AA67

**2441. • PETITION TO ESTABLISH THE "SALADO CREEK" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition to establish the "Salado Creek" viticultural area in west Stanislaus County, California.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA69

**2442. • PETITION TO ESTABLISH THE "SHAWNEE HILLS" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205(e)

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition to establish the "Shawnee Hills" viticultural area in southern Illinois.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Kristy Colon, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, 650

Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: kristy.colon@ttb.treas.gov

**RIN:** 1513-AA70

**2443. • PROPOSED AMENDED BOUNDARIES FOR THE SANTA LUCIA HIGHLANDS AND THE ARROYO SECO VITICULTURAL AREA (03R-083P)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205(e)

**CFR Citation:** 27 CFR 9.139; 27 CFR 9.59

**Legal Deadline:** None

**Abstract:** TTB requests comments concerning the proposed changes to the boundaries of the Santa Lucia Highlands and Arroyo Seco viticultural areas located in Monterey County, California.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Kristy Colon, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: kristy.colon@ttb.treas.gov

**RIN:** 1513-AA72

**Department of the Treasury (TREAS)  
Tax and Trade Bureau (TTB)**

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**2444. IMPLEMENTATION OF WINE CREDIT PROVISIONS OF PUBLIC LAW 104-188**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 552(a); 26 USC 5041

**CFR Citation:** 27 CFR 24.278; 27 CFR 24.279

**Legal Deadline:** None

**Abstract:** TTB is amending wine regulations to implement a change in

the law that allows certain transferees in bond to deduct the tax credit for small wine producers. Changes to bond calculations are also included in this regulation.

**Timetable:**

Action	Date
NPRM	06/02/97 62 FR 29681
Interim Final Rule	06/02/97 62 FR 29663
NPRM Comment Period End	08/01/97
Final Action	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AB65

**Agency Contact:** Marjorie D. Ruhf, Program Manager, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210

## TREAS—TTB

## Final Rule Stage

Email: marjorie.ruhf@ttb.gov

RIN: 1513-AA05

**2445. IMPLEMENTATION OF PUBLIC LAW 105-34, SECTION 1416, RELATING TO REFUND OF TAX FOR DOMESTIC WINE RETURNED TO BOND REGARDLESS OF MERCHANTABILITY (TAXPAYER RELIEF ACT OF 1997)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5044; 26 USC 5361; 26 USC 5367; 26 USC 5371

**CFR Citation:** 27 CFR 24.66; 27 CFR 24.295; 27 CFR 24.312

**Legal Deadline:** None

**Abstract:** TTB is issuing changes to the wine regulations as a result of the enactment of the Taxpayer Relief Act of 1997 and the Internal Revenue Service Reconstruction and Reform Act of 1998. This amendment informs interested parties of changes by these acts that provide for a refund of the tax for all wine returned to bond, rather than exclusively for unmerchantable or domestic wine returned to bond.

**Timetable:**

Action	Date
Interim Final Rule	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AB74

**Agency Contact:** Marjorie D. Ruhf, Program Manager, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210  
Email: marjorie.ruhf@ttb.gov

RIN: 1513-AA06

**2446. IMPLEMENTATION OF PUBLIC LAW 105-33, SECTION 9302, REQUIRING THE QUALIFICATION OF TOBACCO PRODUCT IMPORTERS AND MISCELLANEOUS TECHNICAL AMENDMENTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5712; 26 USC 5713

**CFR Citation:** 27 CFR 275

**Legal Deadline:** Other, Statutory, January 1, 2000, Interim Final Rule.

**Abstract:** These regulations will implement section 9302 provisions of Public Law 105-33, requiring permits for businesses engaged in importing tobacco products. Also, minor technical amendments have been included in this rule.

**Timetable:**

Action	Date
NPRM	12/22/99 64 FR 71955
Interim Final Rule	12/22/99 64 FR 71947
Interim Final Rule Effective	01/01/00
Interim Final Rule Comment Period End	05/03/00 65 FR 17477
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC07

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

RIN: 1513-AA10

**2447. TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES SHIPPED FROM PUERTO RICO TO THE UNITED STATES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 5701; 27 USC 7652

**CFR Citation:** 27 CFR 275

**Legal Deadline:** None

**Abstract:** This temporary rule eliminates TTB onsite supervision of tobacco products and cigarette papers and tubes of Puerto Rican manufacture that are shipped from Puerto Rico to the United States. It also eliminates related forms. This rule requires that persons who ship such articles maintain records so that the amount of tax is calculated and recorded for TTB audit and examination. Also, this temporary rule simplifies and clarifies certain sections.

**Timetable:**

Action	Date
NPRM	03/08/01 66 FR 13864
Interim Final Rule	03/08/01 66 FR 13849
NPRM Comment Period End	05/07/01 66 FR 13864
Final Action	11/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC24

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

RIN: 1513-AA17

**2448. ELIMINATION OF STATISTICAL CLASSES FOR LARGE CIGARS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805, 5722

**CFR Citation:** 27 CFR 40; 27 CFR 275

**Legal Deadline:** None

**Abstract:** This notice proposes to eliminate reporting categories in regulations.

**Timetable:**

Action	Date
NPRM	11/05/02 67 FR 67340
NPRM Comment Period End	12/05/02
Final Action	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC33

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

RIN: 1513-AA18

**2449. IMPORTATION OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES; RECODIFICATION OF REGULATIONS**

**Priority:** Info./Admin./Other

**Legal Authority:** 26 USC 7805

**CFR Citation:** 27 CFR 41; 27 CFR 275

**Legal Deadline:** None

**Abstract:** TTB is recodifying the regulations in part 275, Importation of Tobacco Products and Cigarette Papers and Tubes. The purpose of this recodification is to reissue the regulations in part 275 of title 27 of the Code of Federal Regulations (CFR)

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as 27 CFR part 41. In addition, we are making the necessary nomenclature changes to this part due to the reorganization of ATF into two separate bureaus.

**Timetable:**

Action	Date
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC46

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA20

**2450. AMELIORATION OF FRUIT AND AGRICULTURAL WINES; TECHNICAL AMENDMENTS**

**Priority:** Info./Admin./Other

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 4

**Legal Deadline:** None

**Abstract:** TTB is correcting a technical error in 27 CFR 4.22(b) regarding the ameliorating of non-grape wines.

**Timetable:**

Action	Date
NPRM	10/03/02 67 FR 61998
NPRM Comment Period End	12/02/02
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC63

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014  
Phone: 540 344-9333

**RIN:** 1513-AA30

**2451. PETITION TO ESTABLISH "RED HILLS" AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** This proposed viticultural area of northern California lies within the Clear Lake viticultural area in Lake County, which is entirely within the multi-county North Coast viticultural area. The area consists of approximately 31,250 acres of hilly terrain covered with rocky, volcanic soil. The notice of proposed rulemaking comment period closes March 17, 2003, at which time comments and concerns about the proposed boundaries and the "Red Hills" name will be evaluated.

**Timetable:**

Action	Date
NPRM	10/30/02 67 FR 66083
NPRM Comment Period End	12/30/02
NPRM Comment Period Reopened	01/16/03 68 FR 2262
Second NPRM Comment Period End	03/17/03
Final Action	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC66

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA33

**2452. PETITION TO ESTABLISH "SENECA LAKE" AS AN AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB is requesting comments from interested parties concerning the

proposed establishment of "Seneca Lake" as an American viticultural area. The proposed Seneca Lake viticultural area encompasses about 204,600 acres of land surrounding Seneca Lake in upstate New York. The proposed area is located within the approved Finger Lakes viticultural area.

**Timetable:**

Action	Date
NPRM	10/21/02 67 FR 64575
NPRM Comment Period End	12/20/02
Final Action	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC70

**Agency Contact:** Kristy Colon, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: kristy.colon@ttb.treas.gov

**RIN:** 1513-AA34

**2453. PETITION TO ESTABLISH "BENNETT VALLEY" AS AN AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The proposed 8,100-acre viticultural area is located entirely within the North Coast viticultural area of northern California, Sonoma County, and predominantly within the Sonoma Valley viticultural area. There are small overlaps into the Sonoma Coast and Sonoma Mountain viticultural areas. The petitioned area is approximately 40 miles northeast of San Francisco and is bordered by mountains, foothills, and the City of Santa Rosa. Currently, there are 650 acres of vineyards. The notice of proposed rulemaking comment period closed January 21, 2003, with no comments received. The final rule is being prepared for review.

**Timetable:**

Action	Date
NPRM	11/22/02 67 FR 70352

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Action	Date
NPRM Comment	01/21/03
Period End	
Final Action	08/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: Transferred from RIN 1512-AC72

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

RIN: 1513-AA36

**2454. PETITION FOR THE ESTABLISHMENT OF "RED HILL" AS AN AMERICAN VITICULTURAL AREA**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 205(e)

CFR Citation: 27 CFR 9

Legal Deadline: None

**Abstract:** TTB received a petition proposing the establishment of "Red Hill" as an American viticultural area located within the State of Oregon. The proposed viticultural area consists of approximately 1,668 acres or 8.6 square miles.

**Timetable:**

Action	Date
NPRM	10/30/02 67 FR 66079
NPRM Comment	12/30/02
Period End	
NPRM Comment	01/16/03 68 FR 2262
Period Reopened	
Second NPRM	03/17/03
Comment Period	
End	
Final Action	09/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: Transferred from RIN 1512-AC76

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226

Phone: 202 927-8196

Fax: 202 927-8525

RIN: 1513-AA39

**2455. PETITION TO CHANGE THE TEMECULA VITICULTURAL AREA'S NAME TO TEMECULA VALLEY**

Priority: Substantive, Nonsignificant

Legal Authority: 27 USC 205

CFR Citation: 27 CFR 9

Legal Deadline: None

**Abstract:** The proposed name change from Temecula to Temecula Valley is intended to provide a more accurate portrayal of the viticultural area, geographically and politically, and to provide clarity to wine consumers. The boundaries will not change. The notice of proposed rulemaking comment period closed December 20, 2002, with favorable comments received. The final rule is being prepared for review.

**Timetable:**

Action	Date
NPRM	10/21/02 67 FR 64573
NPRM Comment	12/20/02
Period End	
Final Action	07/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: Transferred from RIN 1512-AC77

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 415 271-1254  
Fax: 707 773-1415  
Email: nancy.sutton@ttb.gov

RIN: 1513-AA40

**2456. PETITION TO ESTABLISH "ALEXANDRIA LAKES" AS A NEW AMERICAN VITICULTURAL AREA**

Priority: Substantive, Nonsignificant

Legal Authority: 27 USC 205

CFR Citation: 27 CFR 9

Legal Deadline: None

**Abstract:** TTB proposes to establish "Alexandria Lakes" as a new American viticultural area. The proposed area is located in Douglas County, Minnesota.

This proposal is a result of a petition filed by Robert G. Johnson on behalf of Carlos Creek Winery.

**Timetable:**

Action	Date
NPRM	01/23/03 68 FR 3199
NPRM Comment	03/24/03
Period End	
Final Action	08/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: Transferred from RIN 1512-AC85

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Room 5000, Washington, DC 20226  
Phone: 301 290-1460  
Fax: 202 927-8525  
Email: lisa.gesser@ttb.gov

RIN: 1513-AA45

**2457. ORGANIC CLAIMS IN LABELING AND ADVERTISING OF ALCOHOL BEVERAGES**

Priority: Info./Admin./Other

Legal Authority: 27 USC 205

CFR Citation: 27 CFR 4; 27 CFR 5; 27 CFR 7; 27 CFR 13

Legal Deadline: None

**Abstract:** TTB amended its alcohol beverage labeling rules to cross-reference the United States Department of Agriculture's National Organic Program (NOP) rules. The mandatory compliance date for the NOP rules was October 21, 2002. TTB requested comments on the temporary rule in an associated notice of proposed rulemaking-Comments are due March 27, 2003.

**Timetable:**

Action	Date
NPRM	10/08/02 67 FR 62860
Temporary Rule	10/08/02 67 FR 62856
Final Action	08/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: Transferred from RIN 1512-AC87

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**Agency Contact:** Marjorie D. Ruhf, Program Manager, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210  
Email: marjorie.ruhf@ttb.gov

**RIN:** 1513-AA46

#### 2458. PETITION TO ESTABLISH "OAK KNOLL DISTRICT" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB is proposing the establishment of the "Oak Knoll District" viticultural area in Napa County, California. This action is in response to a petition by the Oak Knoll District Committee.

**Timetable:**

Action	Date
NPRM	07/09/02 67 FR 45437
NPRM Comment Period End	09/09/02
Final Action	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC89

**Agency Contact:** Joanne Brady, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 215 333-7050

**RIN:** 1513-AA48

#### 2459. PLAIN LANGUAGE IN PART 7

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 7

**Legal Deadline:** None

**Abstract:** This project revises malt beverage labeling and advertising regulations to plain language. The revision will make no substantive changes to the current 27 CFR part 7.

**Timetable:**

Action	Date
NPRM	06/27/02 67 FR 43496
NPRM Comment Period Extended	08/22/02 67 FR 54388
NPRM Comment Period End	08/26/02
NPRM Comment Period End	09/25/02
Final Action	12/00/03
Final Action Effective	01/00/04

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC10

**Agency Contact:** Charles N. Bacon, Program Manager, Department of the Treasury, Tax and Trade Bureau, Room 701, 10 Causeway Street, Boston, MA 02222

Phone: 617 557-1323  
Fax: 617 557-1251  
Email: charles.bacon@ttb.treas.gov

**RIN:** 1513-AA60

#### 2460. • PETITION NO. 1 TO EXPAND THE RUSSIAN RIVER VALLEY VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition in August 2002, from Mr. Donald Carano to expand the Russian River Valley viticultural area's east boundary area by 767 acres in Sonoma County, California. The public comments indicated a general acceptance, without significant opposition, to the expansion area.

In January 2003, TTB received a separate petition from the Russian River Valley Winegrowers group proposing a larger expansion to the east and south Russian River Valley viticultural boundary areas, which includes Mr. Carano's proposed expansion area. The second expansion petition will be addressed in a separate NPRM.

**Timetable:**

Action	Date
NPRM	01/08/03 68 FR 1020
NPRM Comment Period End	03/10/03
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, Room 5000, Regulations and Procedures Division, 650 Massachusetts Avenue NW., Washington, DC 20226

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**Related RIN:** Related To 1513-AA67

**RIN:** 1513-AA68

### Department of the Treasury (TREAS) Tax and Trade Bureau (TTB)

### Long-Term Actions

#### 2461. ALCOHOLIC CONTENT LABELING FOR MALT BEVERAGES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205(e)

**CFR Citation:** 27 CFR 7

**Legal Deadline:** None

**Abstract:** An October 28, 1992, decision in the U.S. District Court for the District of Colorado held that the

Federal Alcohol Administration (FAA) Act prohibition against the statement of alcoholic content on malt beverage labels is unconstitutional under the First Amendment. ATF issued an interim rule on April 19, 1993, which permits the optional labeling of malt beverages with their alcoholic content. The Supreme Court heard oral arguments in the appeal of this court

decision on November 30, 1994. The Supreme Court decided this case on April 19, 1995, in favor of Coors, and unanimously found the FAA Act prohibition against labeling malt beverages with their alcohol content unconstitutional. TTB will issue notice of proposed rulemaking on the subject of malt beverage labeling to request information on tolerances, type size,



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## Long-Term Actions

placement, and whether such an alcoholic content labeling requirement should be mandatory.

**Timetable:**

Action	Date
NPRM	04/19/93 58 FR 21233
Interim Final Rule	04/19/93 58 FR 21228
NPRM Comment Period End	07/19/93
NPRM Comment Period Extended	07/19/93 58 FR 38543
NPRM Comment Period Extended End	09/17/93
Second NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AB17

**Agency Contact:** Bernard J. Kipp, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 503 356-1341

**RIN:** 1513-AA01

**2462. SAKE REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205, 211; 26 USC 5052

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** TTB is considering changes to regulations to eliminate confusion as to the standards of production, labeling, advertising, and tax classification of sake and similar alcohol beverages.

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC09

**Agency Contact:** Bernard J. Kipp, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 503 356-1341

**RIN:** 1513-AA11

**2463. PROHIBITED MARKS ON PACKAGES OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES IMPORTED OR BROUGHT INTO THE UNITED STATES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 5723

**CFR Citation:** 27 CFR 275

**Legal Deadline:** None

**Abstract:** This notice proposes a new rule that will prohibit any mark on packages of tobacco products and cigarette papers and tubes imported or brought into the United States indicating that U.S. tax has not been paid or that the product is not intended for sale or use in the United States. Because current regulations only prohibit markings on such packages that indicate U.S. tax has been paid, packages of products with marks such as "U.S. tax-exempt" or "sale prohibited in the United States" are being imported or brought into the United States.

**Timetable:**

Action	Date
NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC14

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA14

**2464. REMOVAL OF REQUIREMENT TO DISCLOSE SACCHARIN IN THE LABELING OF WINE, DISTILLED SPIRITS, AND MALT BEVERAGES**

**Priority:** Info./Admin./Other

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 4.32(d); 27 CFR 5.32(b)(6); 27 CFR 7.22(b)(5)

**Legal Deadline:** None

**Abstract:** Since the artificial sweetener saccharin is no longer listed as an anticipated carcinogen, TTB plans to remove its requirement for a warning label on alcohol beverages containing saccharin as soon as the law requiring such warnings (21 U.S.C. 343) is

repealed or when it expires on May 1, 2002.

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC17

**Agency Contact:** Marjorie D. Ruhf, Program Manager, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Washington, DC 20226  
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Email: marjorie.ruhf@ttb.gov

**RIN:** 1513-AA15

**2465. LIQUOR DEALERS; RECODIFICATION OF REGULATIONS**

**Priority:** Info./Admin./Other

**Legal Authority:** 26 USC 7805

**CFR Citation:** 27 CFR 31; 27 CFR 194; ...

**Legal Deadline:** None

**Abstract:** TTB is recodifying the regulations pertaining to liquor dealers. The purpose of this recodification is to reissue the regulations in part 194 of title 27 of the Code of Federal Regulations (CFR) as 27 CFR part 31. This change improves the organization of title 27 CFR. In addition, due to the reorganization of ATF into two separate bureaus, we are making nomenclature changes to this part.

**Timetable:**

Action	Date
Final Action	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC45

**Agency Contact:** Karl Joedicke, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-7460

**RIN:** 1513-AA19

**2466. PROPOSED REVISIONS OF 27 CFR PART 19**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

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Long-Term Actions

**CFR Citation:** 27 CFR 19

**Legal Deadline:** None

**Abstract:** TTB is proposing to amend the distilled spirits plant regulations in 27 CFR part 19. Many of these proposed revisions are the result of a petition submitted by the Distilled Spirits Council of the United States (DISCUS). Other proposed revisions are a result of TTB's own comprehensive review of the regulations in 27 CFR part 19. TTB believes that the amendments proposed in this notice will benefit the distilled spirits industry by modernizing many of the requirements for operating distilled spirits plants and thereby allow proprietors to operate in a more efficient manner.

**Timetable:**

Action	Date
NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC52

**Agency Contact:** Daniel J. Hiland, Program Manager, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Washington, DC 20226  
Phone: 202 927-8210

**RIN:** 1513-AA23

**2467. PROPOSAL TO RECOGNIZE SYNONYMS FOR PETITE SIRAH AND ZINFANDEL GRAPE VARIETIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 4

**Legal Deadline:** None

**Abstract:** TTB is proposing to amend the list of prime grape names for American wines to recognize the name "Durif" as a synonym for the Petite

Sirah grape and to recognize the name "Primitivo" as a synonym for the Zinfandel grape. This is in response to the result of recent DNA research into the identity of these grape varieties.

**Timetable:**

Action	Date
NPRM	04/10/02 67 FR 17312
NPRM Comment Period Extended	06/06/02 67 FR 38915
NPRM Comment Period End	10/08/02
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC65

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014  
Phone: 540 344-9333

**RIN:** 1513-AA32

**2468. TAXPAID DISTILLED SPIRITS USED IN MANUFACTURING PRODUCTS UNFIT FOR BEVERAGE USE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5010; 26 USC 5131 to 5134; 26 USC 5143; 26 USC 5206; 26 USC 5273; ...

**CFR Citation:** 27 CFR 17

**Legal Deadline:** None

**Abstract:** TTB proposes to amend the regulations on taxpaid distilled spirits used to manufacture nonbeverage products to allow manufactures to use natural and artificial 1 percent solutions without having to file Form 5154.1, Formula and Process for Nonbeverage Product. This proposal is part of an ongoing effort to streamline the TTB Alcohol and Tobacco Laboratory's flavor formula approval process.

**Timetable:**

Action	Date
NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC73

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Tax and Trade Bureau  
Phone: 202 927-8181

**RIN:** 1513-AA37

**2469. ELIMINATE REQUIREMENT TO ENROLL TO PRACTICE BEFORE THE BUREAU**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 330

**CFR Citation:** 31 CFR 8

**Legal Deadline:** None

**Abstract:** TTB will published a final rule (Treasury Decision) to eliminate the requirement to enroll to practice before the Bureau.

**Timetable:**

Action	Date
Final Action	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC96

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., RM 5000, Washington, DC 20226  
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**RIN:** 1513-AA62

**Department of the Treasury (TREAS)  
Tax and Trade Bureau (TTB)**

Completed Actions

**2470. LABELING OF UNAGED GRAPE BRANDY**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 5

**Completed:**

Reason	Date
Withdrawn	03/18/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser

## TREAS—TTB

## Completed Actions

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 RIN: 1513-AA03

**2471. DISTILLED SPIRITS PLANT REGULATORY INITIATIVE PROPOSAL**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 19.11; 27 CFR 19.1003; 27 CFR 19.1010; 27 CFR 19.49; 27 CFR 19.153; 27 CFR 19.201 to 206; 27 CFR 19.311; 27 CFR 19.454; 27 CFR 19.605; 27 CFR 19.770; 27 CFR 19.1001

**Completed:**

Reason	Date
Withdrawn	03/20/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Joanne Brady  
 Phone: 215 333-7050

**RIN:** 1513-AA04

**2472. HEALTH CLAIMS AND OTHER HEALTH RELATED STATEMENTS IN THE LABELING AND ADVERTISING OF ALCOHOL BEVERAGES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 4; 27 CFR 5; 27 CFR 7

**Completed:**

Reason	Date
Final Rule	03/03/03 68 FR 10076
Final Rule Effective	06/02/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser  
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**RIN:** 1513-AA09

**2473. ALCOHOL BEVERAGE HEALTH WARNING STATEMENT**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 16

**Completed:**

Reason	Date
Withdrawn	11/14/02

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser  
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**RIN:** 1513-AA13

**2474. DELEGATION OF AUTHORITY IN 27 CFR PART 31**

**Priority:** Info./Admin./Other

**CFR Citation:** 27 CFR 31

**Completed:**

Reason	Date
Withdrawn	01/24/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Karl Joedicke  
 Phone: 202 927-7460

**RIN:** 1513-AA22

**2475. DELEGATION OF AUTHORITY IN 27 CFR PART 40**

**Priority:** Info./Admin./Other

**CFR Citation:** 27 CFR 40

**Completed:**

Reason	Date
Withdrawn	01/24/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robert P. Ruhf  
 Phone: 202 927-8210

**RIN:** 1513-AA25

**2476. VOLUNTARY WAIVER OF FILING CLAIM FOR CREDIT, REFUND, ALLOWANCE, OR CREDIT OF TAX FOR TOBACCO PRODUCTS MANUFACTURED IN CANADA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 44

**Completed:**

Reason	Date
Withdrawn	03/20/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robert P. Ruhf  
 Phone: 202 927-8210

**RIN:** 1513-AA31

**2477. PETITION TO ESTABLISH "CAPAY VALLEY" AS AN AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date
Final Rule	12/20/02 67 FR 77922
Final Rule Effective	02/18/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Kristy Colon  
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**RIN:** 1513-AA35

**2478. PETITION TO PROPOSE "YADKIN VALLEY" AS A NEW AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date
Final Action	12/09/02 67 FR 72834

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Timothy P. DeVanney  
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**RIN:** 1513-AA44

**2479. BREWERY FORMS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 25

**Completed:**

Reason	Date
Withdrawn	03/20/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Charles N. Bacon  
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**RIN:** 1513-AA47

## TREAS—TTB

## Completed Actions

**2480. • REORGANIZATION OF TITLE 27, CODE OF FEDERAL REGULATIONS; FINAL RULE****Priority:** Info./Admin./Other**Legal Authority:** PL 107-296, 116 Stat. 2135 (2002)**CFR Citation:** 27 CFR 46; 27 CFR 47;

...

**Legal Deadline:** None

**Abstract:** The Homeland Security Act of 2002 divides the Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, into two separate agencies: 1) the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) in the Department of Justice; and 2) the Alcohol and Tobacco Tax and Trade Bureau (TTB) in the Department of the Treasury. These changes require reorganization of title 27 of the Code of Federal Regulations. This final rule renames chapter I, establishes a new chapter II in 27 CFR, and removes certain regulations from chapter I and recodifies them in the new chapter II.

**Timetable:**

Action	Date
Final Rule	01/24/03 68 FR 3744
Final Rule Effective	01/24/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Tax and Trade Bureau, 650 Massachusetts Avenue NW., Room 5000, Washington, DC 20226  
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**RIN:** 1513-AA71**2481. DELEGATION OF AUTHORITY IN 27 CFR PART 19****Priority:** Info./Admin./Other**CFR Citation:** 27 CFR 19**Completed:**

Reason	Date
Withdrawn	01/24/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Robert P. Ruhf  
Phone: 202 927-8210**RIN:** 1513-AA73**2482. DELEGATION OF AUTHORITY FOR PART 70****Priority:** Info./Admin./Other**CFR Citation:** 27 CFR 70**Completed:**

Reason	Date
Withdrawn	01/24/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Robert P. Ruhf  
Phone: 202 927-8210**RIN:** 1513-AA74**BILLING CODE 4810-25-S****Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**

## Prerule Stage

**2483. CAPITAL RULES****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 93a; 12 USC 161; 12 USC 1828 note; 12 USC 1828(n); 12 USC 1831n note; 12 USC 1835; 12 USC 3907; 12 USC 3909**CFR Citation:** 12 CFR 3**Legal Deadline:** None

**Abstract:** As part of the OCC's ongoing efforts to develop and refine capital standards to ensure the safety and soundness of the national banking system and to implement statutory requirements, the OCC is amending various provisions of the capital rules for national banks. Specifically, these changes include: 1) new Basel capital accord (Basel II) (formerly referred to

as domestic capital framework); and 2) securities borrowing transactions. The OCC is conducting both of these rulemakings jointly with the other Federal banking agencies.

**Timetable:****Implementation of a Revised Basel Capital Accord (formerly Domestic Capital Framework)**

ANPRM 11/03/00 (65 FR 66193)  
ANPRM Comment Period End 02/01/01  
ANPRM 07/00/03

**Securities Borrowing Transactions**

Interim Final Rule 12/05/00 (65 FR 75856)  
Interim Final Rule Comment Period End 01/19/01  
Final Rule 12/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

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**RIN:** 1557-AB14

**Department of the Treasury (TREAS)**  
**Comptroller of the Currency (OCC)**

**Proposed Rule Stage**

**2484. RECORDKEEPING REQUIREMENTS FOR BANK EXCEPTIONS FROM SECURITIES BROKER OR DEALER REGISTRATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 93a; 12 USC 1828(t)

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** This notice of proposed rulemaking will seek comment on recordkeeping requirements for banks relying on exceptions to the definitions of broker or dealer in paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934.

**Timetable:**

Action	Date
NPRM	08/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Martha Vestal Clarke, Acting Assistant Director, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities, Division, 250 E Street SW, Washington, DC 20219  
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**RIN:** 1557-AB93

**2485. MAINTENANCE OF RECORDS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1 et seq; 12 USC 92; 12 USC 92a; 12 USC 93; 12 USC 93a; 12 USC 481; 12 USC 484; 12 USC 1818; ; ; 12 USC 1 et seq; 12 USC 92; 12 USC 92a; 12 USC 93; 12 USC 93a; 12 USC 481; 12 USC 484; 12 USC 1818

**CFR Citation:** 12 CFR 7

**Legal Deadline:** None

**Abstract:** The notice of proposed rulemaking would invite comment on a revision to part 7 that would require entities subject to the jurisdiction of the OCC to establish and maintain accurate and complete documentation and records, and allow the OCC timely access to such records. The proposed revision in part 7 would also provide that when a bank discloses documents and records to the OCC during the supervisory process, such a disclosure is not voluntary and is not made to an adversary. The OCC anticipates that

this proposed rule would not have a significant impact on national banks.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Patrick Tierney, Attorney, Department of the Treasury, Comptroller of the Currency  
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**RIN:** 1557-AB99

**2486. INTERNATIONAL BANKING ACTIVITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1 et seq; 12 USC 24 (Seventh); 12 USC 93a; 12 USC 161; 12 USC 602; 12 USC 1818; 12 USC 3101 et seq; 12 USC 3901 et seq

**CFR Citation:** 12 CFR 28; 12 CFR 5

**Legal Deadline:** None

**Abstract:** The OCC plans to clarify or revise a number of application or notice procedures, including the standards for approval that would apply. In addition, the OCC plans to implement a number of OCC interpretations regarding the capital equivalency deposit required of Federal branches and agencies. Finally, the OCC plans to revise several definitions.

**Timetable:**

Action	Date
NPRM	04/23/03 68 FR 19949
NPRM Comment	06/23/03
Period End	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lee Walzer, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Analysis Division, 250 E Street SW, Washington, DC 20219  
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**RIN:** 1557-AC04

**2487. INTERAGENCY GUIDELINES ESTABLISHING STANDARDS FOR SAFETY AND SOUNDNESS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 12 USC 93a; 12 USC 1818; 12 USC 1831-p; 12 USC 3102(b); 15 USC 6801; 15 USC 6805(b)(6)

**CFR Citation:** 12 CFR 30

**Legal Deadline:** None

**Abstract:** The OCC and the other Federal banking agencies plan to issue a notice of proposed rulemaking to amend their Interagency Guidelines Establishing Standards for Safety and Soundness. The amendment would add a new subsection, pursuant to which a depository institution should establish and maintain new policies and standards designed to ensure an effective system of corporate governance. This amendment is intended to address potential weaknesses in management and corporate governance practices.

**Timetable:**

Action	Date
NPRM	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Michele Meyer, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW, Washington, DC 20219.  
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**RIN:** 1557-AC08

**2488. ● REPORTING AND DISCLOSURE REQUIREMENTS FOR NATIONAL BANKS WITH SECURITIES REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934; SECURITIES OFFERING DISCLOSURE RULES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1 et seq; 12 USC 93a; 15 USC 78l; 15 USC 78m; 15 USC 78n; 15 USC 78p; 15 USC 78w

**CFR Citation:** 12 CFR 11; 12 CFR 16

**Legal Deadline:** None

**Abstract:** The Sarbanes-Oxley Act of 2002 made amendments to section 12(i) of the Securities Exchange Act of 1934.

## TREAS—OCC

## Proposed Rule Stage

These amendments vested the OCC with authority to administer and enforce several of the enhanced reporting, disclosure and corporate governance obligations imposed by the Sarbanes-Oxley Act with respect to national banks that have a class of securities registered under the Securities Exchange Act of 1934. The proposed rule would amend the Securities Exchange Act disclosure

rules applicable to national banks to reflect the amendments to section 12(i) of the Securities Exchange Act of 1934.

**Timetable:**

Action	Date
NPRM	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Maryann Orr Nash, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW, Washington, DC 20219  
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**RIN:** 1557-AC12

**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**

## Final Rule Stage

**2489. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES AND BANK ACTIVITIES AND OPERATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1 et seq; 12 USC 24 (Seventh); 12 USC 92a; 12 USC 93a; 12 USC 161; 12 USC 602; 12 USC 1818; 12 USC 1828(n); 12 USC 1828 note; 12 USC 1831n note; 12 USC 1831o; 12 USC 1835; 12 USC 3101; 12 USC 3901 et seq; 12 USC 3907; 12 USC 3903; 12 USC 24a, sec 5136A of the Revised Statutes; 15 USC 78q; 15 USC 78q-1; 15 USC 78w; 12 USC 29; 12 USC 371; 12 USC 215a-2; 12 USC 215a-3; 12 USC 92; 12 USC 93; 12 USC 481; 12 USC 484; 12 USC 1701j-3; 12 USC 3331 et seq

**CFR Citation:** 12 CFR 3; 12 CFR 5; 12 CFR 6; 12 CFR 7; 12 CFR 9; 12 CFR 28; 12 CFR 34

**Legal Deadline:** None

**Abstract:** The OCC plans to amend part 5 to implement the authority for national banks to merge with one or more of their nonbank affiliates contained in section 1206 of the American Homeownership and Economic Opportunity Act of 2000 (AHEOA). The OCC also plans to amend part 5 to implement the authority in section 1204 of AHEOA by adding a new section setting forth the application and prior approval requirements for national banks contemplating reorganization as a subsidiary of a bank holding company. In addition, the OCC also plans to implement section 1205 of AHEOA by amending part 7 to permit national banks to adopt by-laws providing for staggered boards of directors and to permit national banks to apply to expand the size of their boards of directors over 25 members. The OCC

also plans to amend part 7 in order to clarify issues that have arisen in connection with the scope of the OCC's visitorial powers. The OCC also plans to make other amendments to parts 5, 7, 9, and 34, as well as certain technical amendments

**Timetable:**

Action	Date
NPRM	02/07/03 68 FR 6363
NPRM Comment Period End	04/08/03
Final Rule	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Undetermined

**Federalism:** This action may have federalism implications as defined in EO 13132.

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**RIN:** 1557-AB97

**2490. CUSTOMER IDENTIFICATION PROGRAMS FOR BANKS, SAVINGS ASSOCIATIONS, AND CREDIT UNIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 93a; 31 USC 5318(l)

**CFR Citation:** 12 CFR 21; 31 CFR 103

**Legal Deadline:** Final, Statutory, October 26, 2002, Must take effect one year before date of enactment of USA Patriot Act.

**Abstract:** The Secretary of the Treasury, the OCC, the Board of Governors of the Federal Reserve System, the FDIC, the Office of Thrift Supervision, and the National Credit Union Administration are preparing a regulation implementing section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001. Section 326 requires a regulation that contains minimum standards that financial institutions must implement: 1) to verify the identity of any person seeking to open an account; 2) to maintain records of the information used to verify the person's identity; and 3) to determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any Government agency.

**Timetable:**

Action	Date
NPRM	07/23/02 67 FR 48290
NPRM Comment Period End	09/06/02
Final Rule	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Deborah Katz, Senior Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW, Washington, DC 20219  
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## TREAS—OCC

## Final Rule Stage

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RIN: 1557-AC06

**2491. COMMUNITY AND ECONOMIC DEVELOPMENT ENTITIES, COMMUNITY DEVELOPMENT PROJECTS, AND OTHER PUBLIC WELFARE INVESTMENTS (12 CFR PART 24)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 24 (Eleventh); 12 USC 93a; 12 USC 481; 12 USC 1818**CFR Citation:** 12 CFR 24**Legal Deadline:** None

**Abstract:** The OCC issued a notice of proposed rulemaking to amend part 24, its regulation governing national bank investments that are designed to promote the public welfare. The proposal would update the definition section of the regulation to reflect the additional types of public welfare investment structures that have come into use by national banks in recent years; set forth the method a national bank should use to measure the aggregate amount of its public welfare investments; and simplify the regulation's investment self-certification and prior approval processes. These changes will simplify the regulation and reduce the burden associated with part 24 investments and thereby encourage additional public welfare investments by national banks.

**Timetable:**

Action	Date
NPRM	01/10/03 68 FR 1394
NPRM Comment Period End	03/11/03
Final Rule	05/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Michele Meyer, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW, Washington, DC, 20219  
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RIN: 1557-AC09

**2492. REMOVAL, SUSPENSION, AND DEBARMENT OF INDEPENDENT ACCOUNTANTS FROM PERFORMANCE OF AUDIT SERVICES****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 93a; 12 USC 1831m(g)(4)(B)**CFR Citation:** 12 CFR 19**Legal Deadline:** None

**Abstract:** The OCC issued a notice of proposed rulemaking to amend 12 CFR part 19, the Rules of Practice and Procedure by adding a new subpart P, "Removal, Suspension, and Debarment of Independent Public Accountants from Performance of Audit Services." Section 112 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) gave the OCC, along with the other Federal banking agencies, the authority to remove, suspend, or debar accountants for good cause from performing annual audit services. The proposed rule would establish policies and procedures for the OCC to take such actions. The proposed rule would also make conforming changes to part 19. The Board of Governors of the Federal Reserve System, the FDIC, and the Office of Thrift Supervision are promulgating similar rules concurrently with the OCC to implement section 112 of FDICIA.

**Timetable:**

Action	Date
NPRM	01/08/03 68 FR 1116
Correction	01/31/03 68 FR 5075
NPRM Comment Period End	03/10/03
Final Rule	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Mitchell Plave, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW, Washington, DC 20219

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RIN: 1557-AC10

**2493. • RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES (ELECTRONIC FILINGS)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC et seq; 12 USC 24a; 12 USC 24 (Seventh); 12 USC 93a; 12 USC 3101 et seq**CFR Citation:** 12 CFR 5**Legal Deadline:** None

**Abstract:** The interim final rule would make revisions to part 5 filing requirements to facilitate electronic filings for certain applications. The purpose of these changes is to permit national banks to file certain classes of applications electronically and to inform national banks where they may find detailed procedural information on electronic filings. The rule would also amend part 5 to clarify the circumstances under which the OCC may adopt filing procedures different from those otherwise required by part 5.

**Timetable:**

Action	Date
Interim Final Rule	04/14/03 68 FR 17890
Interim Final Rule Effective	04/14/03
Interim Final Rule Comment Period End	06/13/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Jean Campbell, Attorney, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW, Washington, DC 20219  
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RIN: 1557-AC13

**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**
**Long-Term Actions**
**2494. RULES AND PROCEDURES FOR CLAIMS AGAINST OCC-APPOINTED RECEIVERSHIPS FOR UNINSURED FINANCIAL INSTITUTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 93a; 12 USC 192; 12 USC 206; 12 USC 3108

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** This regulation will establish rules and procedures for processing claims against receivers for uninsured Federal institutions that are chartered by the OCC.

**Timetable:**

Action	Date
NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Mitchell Plave, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW, Washington, DC 20219  
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**RIN:** 1557-AB59

**2495. FAIR CREDIT REPORTING REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 93a; 15 USC 1681s; PL 106-102, sec 506

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** The rule will address the sharing of transactional, experiential, and other consumer information under the Fair Credit Reporting Act. Such sharing of this information constitutes an exclusion from the definition of "consumer report" under section 603(d) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)). It also addresses how consumers may opt out of such information sharing, and the scope of such opt-outs.

**Timetable:**

Action	Date
NPRM	10/20/00 65 FR 63120
NPRM Comment Period End	12/04/00
NPRM Update	03/27/01 66 FR 16624
Second NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lee Walzer, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Analysis Division, 250 E Street SW, Washington, DC 20219  
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**RIN:** 1557-AB78

**2496. COMMUNITY REINVESTMENT ACT REGULATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 21; 12 USC 22; 12 USC 26; 12 USC 27; 12 USC 30; 12 USC 36; 12 USC 93a; 12 USC 161; 12 USC 215; 12 USC 215a; 12 USC 481; 12 USC 1814; 12 USC 1816; 12 USC 1828(c); 12 USC 1835a; 12 USC 2901 to 2907; 12 USC 3101 to 3111

**CFR Citation:** 12 CFR 25

**Legal Deadline:** None

**Abstract:** The OCC, in conjunction with the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision (the Agencies), has issued an advance notice of proposed rulemaking to solicit comment on the agencies' existing Community Reinvestment Act (CRA) regulations. The Agencies are conducting a review of their CRA regulations to determine their effectiveness in achieving their goals.

**Timetable:**

Action	Date
ANPRM	07/19/01 66 FR 37602
ANPRM Comment Period End	10/17/01
NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Margaret Hesse, Special Counsel, Department of the Treasury, Comptroller of the Currency, Community and Consumer Law Division, 250 E Street SW, Washington, DC 20219  
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**RIN:** 1557-AB98

**2497. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1 et seq; 12 USC 24a; 12 USC 24 (Seventh); 12 USC 93a; 12 USC 3101 et seq

**CFR Citation:** 12 CFR 5

**Legal Deadline:** None

**Abstract:** The OCC plans to issue a notice of proposed rulemaking that will require a national bank to obtain prior approval from the OCC before making certain material changes to the bank.

**Timetable:**

Action	Date
NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Heidi M. Thomas, Special Counsel, Department of the Treasury, Comptroller of the Currency, 250 E Street SW, Washington, DC 20219  
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**RIN:** 1557-AC11



**Department of the Treasury (TREAS)**  
**Comptroller of the Currency (OCC)**
**Completed Actions**
**2498. UNIFORM RULES OF PRACTICE AND PROCEDURE; REGULATION REVIEW**
**Timetable:**

Action	Date
Duplicate of 1557-AC10	05/08/03

RIN: 1557-AB43

**2499. PAYDAY LENDING**

Priority: Substantive, Nonsignificant

**Legal Authority:** 12 USC 24(Seventh); 12 USC 93a; 12 USC 1818; 12 USC 1861 to 1867
**CFR Citation:** 12 CFR 5; 12 CFR 32**Legal Deadline:** None

**Abstract:** The OCC was considering amending 12 CFR part 5 and 12 CFR part 32 to address payday lending activities engaged in by national banks through arrangements with third-party lending companies. The purpose of this rulemaking would have been to adopt provisions intended to ensure that payday lending is conducted in a manner that is consistent with safe and sound banking practices.

**Timetable:**

Action	Date
Withdrawn	03/26/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Federalism:** Undetermined

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RIN: 1557-AC01

BILLING CODE 4810-33-S

**Department of the Treasury (TREAS)**  
**United States Customs Service (CUSTOMS)**
**Proposed Rule Stage**
**2500. TEXTILES AND TEXTILE PRODUCTS SUBJECT TO TEXTILE TRADE AGREEMENTS**

Priority: Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1202; 19 USC 1624; 7 USC 1854
**CFR Citation:** 19 CFR 12**Legal Deadline:** None

**Abstract:** Amendment to the country of origin standards and documentary requirements applicable to textiles and textile products subject to section 204 of the Agricultural Act of 1956. Amendment involves simplification of regulatory text, has no substantive effect on the U.S. textile import program as administered by Customs, and is intended to ensure that the wording of the Customs Regulations is consistent with the product coverage of section 204.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Dick Crichton, Operations Officer, Office of Field Operations, Department of Homeland Security, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0162

RIN: 1515-AB54

**2501. LIQUIDATION; EXTENSION; SUSPENSION**

Priority: Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1500; 19 USC 1504; 19 USC 1624
**CFR Citation:** 19 CFR 159**Legal Deadline:** None

**Abstract:** Document would amend the Customs Regulations to implement amendments to section 504 of the Tariff Act of 1930, as amended, which pertains to limitations on the liquidation of entries that were contained in the Customs Modernization provisions of the North American Free Trade Agreement Implementation Act. Amendments would allow the reconciliation of entries to be treated as if they were entry summaries, subject to normal liquidation requirements; authorize the electronic transmittal of notices of extension and suspension of liquidation; extend the time period in which Customs must liquidate a suspended entry after the suspension is removed; remove the application of the four-year limitation to suspended entries; and provide that Customs must also inform sureties when an entry is suspended or extended.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** William G. Rosoff, Chief, Duty Refund and Determination Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8807

RIN: 1515-AB66

**2502. DETENTION, SEIZURE, AND FORFEITURE OF "BOOTLEG" SOUND RECORDING AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES**

Priority: Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 17 USC 602; 17 USC 603; 31 USC 9701; 19 USC 66; 19 USC 1202; 19 USC 58a; 19 USC 58b; 19 USC 58c; 19 USC 66; 17 USC 101; 17 USC 601
**CFR Citation:** 19 CFR 12; 19 CFR 24; 19 CFR 133**Legal Deadline:** None

**Abstract:** Amendment to provide for the detention, seizure, and forfeiture of unauthorized (bootleg) copies of sound recordings and music videos of live musical performances recorded outside of and imported into the United States, as provided by section 513(a) of the Uruguay Round Agreements Act.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

## TREAS—CUSTOMS

## Proposed Rule Stage

**Agency Contact:** George F. McCray, Chief, Intellectual Property Rights Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8709

**RIN:** 1515-AB74

**2503. RECONCILIATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1484; 19 USC 1500; 19 USC 1624

**CFR Citation:** 19 CFR 142; 19 CFR 159

**Legal Deadline:** None

**Abstract:** Amendment to allow those elements of an entry, other than those elements relating to the admissibility of the merchandise, that are undetermined at the time an entry summary or an import activity summary is required to be submitted, to be provided to Customs at a later date.

**Timetable:**

Action	Date
NPRM	01/00/04

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** John Leonard, Program Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0915

**RIN:** 1515-AB85

**2504. REMOTE LOCATION FILING**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1484; 19 USC 1624; 19 USC 1641

**CFR Citation:** 19 CFR 111; 19 CFR 113; 19 CFR 141; 19 CFR 143

**Legal Deadline:** None

**Abstract:** Amendment to allow entry filers to electronically file entries of merchandise with Customs from locations within the United States other than at the port of arrival of the merchandise or the location of examination of the merchandise.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa Santana, Import Specialist, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-4342

**RIN:** 1515-AC23

**2505. REQUIREMENTS FOR FUTURE CUSTOMS TRANSACTIONS WHEN PAYMENT TO CUSTOMS ON PRIOR TRANSACTIONS IS DELINQUENT AND/OR DISHONORED**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1448; 19 USC 1484; 19 USC 1624; 5 USC 301; 19 USC 1505

**CFR Citation:** 19 CFR 142; 19 CFR 24

**Legal Deadline:** None

**Abstract:** Amendment concerning how Customs will handle the future transactions of importers or other parties financially obligated to Customs who are delinquent in a payment to Customs or have had payments to the agency returned as dishonored by their financial institution. Amendment provides, among other things, that where an importer or other party financially obligated to Customs (debtor) has not paid monies owed to Customs by the due date in a Customs bill or collection notice, including a bill or collection notice requesting payment of an amount owed to Customs that has been returned as dishonored by the debtor's financial institution, Customs may require the debtor to file entry summary documentation at the time of entry with estimated duties, taxes and fees attached (to make live entry). This requirement will be imposed on all the debtor's future importations at all ports of entry until Customs receives full payment of the debtor's overdue amount, including accrued interest, or until the debt has been resolved other than by Customs termination of the collection action. Amendment also concerns when Customs will require all future payments be made by certified check, money order, cash, or if authorized, by Automated

Clearinghouse credit payment. Amendments are necessary to support Customs collection efforts and to ensure a uniform and consistent approach in the manner by which Customs responds to delinquent and dishonored payments.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robert Reiley, Financial Officer, Financial Management Division, Department of Homeland Security, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1504

**RIN:** 1515-AC68

**2506. CUSTOMS EXAMINATION OF IN-TRANSIT MAIL SHIPMENTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1624

**CFR Citation:** 19 CFR 145

**Legal Deadline:** None

**Abstract:** Amendment to provide that Customs has the authority to examine and search international mail without regard as to whether it is transiting the United States or the U.S. Virgin Islands, or is being delivered within the Customs territory of the United States or the U.S. Virgin Islands.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Glen E. Vereb, Chief, Entry Procedures and Carriers Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8730

**RIN:** 1515-AC71

## TREAS—CUSTOMS

## Proposed Rule Stage

**2507. PATENT SURVEYS****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1202; 19 USC 1624**CFR Citation:** 19 CFR 12; 19 CFR 24**Legal Deadline:** None**Abstract:** Amendment to eliminate patent surveys.**Timetable:**

Action	Date
NPRM	03/20/03 68 FR 13636
NPRM Comment Period End	05/19/03
Final Action	10/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Louis Alfano, Customs Officer, Commercial Enforcement, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0005**RIN:** 1515-AC93**2508. ADVANCE NOTICE REQUIREMENTS FOR AIRCRAFT LANDINGS AND ARRIVALS; REVISIONS TO THE PRIVATE AIRCRAFT OVERFLIGHT PROGRAM****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 58b; 19 USC 66; 19 USC 1433; 19 USC 1436; 19 USC 1448; 19 USC 1459; 19 USC 1590; 19 USC 1594; 19 USC 1623; 19 USC 1624; 19 USC 1644; 19 USC 1644a**CFR Citation:** 19 CFR 122**Legal Deadline:** None**Abstract:** Amendment to require that the owners or operators of commercial aircraft that operate as scheduled airlines and enter the United States from foreign areas who intend to land at landing rights or user fee airports, request from Customs permission to land in writing at least 30 days before the first flight date and secure Customs approval to land before the first flight begins. Amendment would also make the advance notice of arrival requirement applicable to all aircraft. The advance notice of arrival would be required to be given by the aircraft commander directly to the appropriate

Customs location at least one hour before the aircraft crosses any border or coastline of the United States.

Amendment would also modify the application process for the Overflight Program and provide for centralized processing of requests for an overflight exemption.

**Timetable:**

Action	Date
NPRM	08/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Elizabeth Tritt, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-4434**RIN:** 1515-AD10**2509. PRIOR DISCLOSURE AND LOST DUTY OR REVENUE DEMANDS WHEN PENALTY CLAIM NOT ISSUED****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1592; 19 USC 1593a; 19 USC 1624**CFR Citation:** 19 CFR 162**Legal Deadline:** None**Abstract:** Amendment pertaining to prior disclosure and to the procedure for demanding payment of duties, taxes, fees, or revenue for violations of 19 U.S.C. 1592 or 1593a when a penalty claim is not issued. Amendments are designed to encourage participation in the prior disclosure program and to enhance the effectiveness of the duty/revenue demand process.**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Alan Cohen, Senior Attorney, Penalties Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229

Phone: 202 572-8742

**RIN:** 1515-AD13**2510. • TARIFF TREATMENT RELATED TO DISASSEMBLY OPERATIONS UNDER THE NORTH AMERICAN FREE TRADE AGREEMENT****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1624; 19 USC 3314**CFR Citation:** 19 CFR 181**Legal Deadline:** None**Abstract:** Amendment to amend the Customs Regulations concerning the North American Free Trade Agreement (NAFTA) to allow components that are recovered from the disassembly of used goods in a NAFTA country to be entitled to NAFTA originating status when imported into the United States, provided that: the recovered components satisfy the applicable NAFTA rules of origin requirements; and where the applicable rule of origin does not include a regional value content requirement, the components are subject to further processing in the NAFTA country beyond certain minor operations.**Timetable:**

Action	Date
NPRM	03/13/03 68 FR 12011
NPRM Comment Period End	05/12/03
Final Action	10/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Edward M. Leigh, Attorney, Special Classification and Marking Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8827**RIN:** 1515-AD23**2511. • MANIFEST DISCREPANCY REPORTS—NEW REQUIREMENTS FOR VESSELS AND A CONFORMING CHANGE****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1431; 19 USC 1433; 19 USC 1434; 19 USC 1436; 19 USC 1581; 19

TREAS—CUSTOMS

Proposed Rule Stage

USC 1584; 19 USC 1498; 46 USC App.3; 46 USC App 91

**CFR Citation:** 19 CFR 4; 19 CFR 18; 19 CFR 113; 19 CFR 122; 19 CFR 123; 19 CFR 146; 19 CFR 158

**Legal Deadline:** None

**Abstract:** Amendment concerning the filing of manifest discrepancy reports for vessels and to reflect the elimination of Customs Form 5931 for all manifest discrepancy reporting. For vessels, the amendments include requiring manifest discrepancy reports to be filed prior to the arrival of the vessels rather than 60 days after arrival, expanding the universe of parties responsible for reporting discrepancies, requiring that manifest information be

kept for a period of five years after vessel arrival, and providing for penalties in certain instances when manifest discrepancy reports are not filed. Amendments regarding vessel manifest discrepancy reports reflect the necessity for national security purposes of receiving from vessels transporting cargo to the United States accurate information as to what they are transporting as soon as possible.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Pete Flores, Inspector, Department of Homeland Security, Bureau of Customs and Border Protection, Manifest and Conveyance Branch, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0333

Jeremy Baskin, Attorney-Advisor, Penalties Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8753

**RIN:** 1515-AD26

Department of the Treasury (TREAS)

Final Rule Stage

United States Customs Service (CUSTOMS)

**2512. HARBOR MAINTENANCE FEE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; PL 99-662; 19 USC 66; 19 USC 81a to 81u; 19 USC 623; 19 USC 1202; 19 USC 1624; 31 USC 9701; PL 99-272; PL 99-509

**CFR Citation:** 19 CFR 4; 19 CFR 24; 19 CFR 146; 19 CFR 178

**Legal Deadline:** Final, Statutory, April 1, 1987.

**Abstract:** Amendments to the Customs Regulations to implement provisions of the Water Resources Development Act of 1986, which authorizes Customs to assess a harbor maintenance fee of 0.125 percent (.00125) on the value of commercial cargo loaded on or unloaded from a commercial vessel at a port unless specifically exempted from the fee. Proceeds of the fee are deposited in a trust fund for the U.S. Army Corps of Engineers to use for the improvement and maintenance of U.S. ports and harbors.

**Timetable:**

Action	Date
Interim Final Rule Effective	03/01/87
Interim Final Rule	03/30/87 52 FR 10198
Interim Final Rule Comment Period End	05/29/87
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Deborah Thompson, Accountant, Accounts Receivable Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Finance, Indianapolis, IN 46278  
Phone: 317 298-1200

**RIN:** 1515-AA57

**2513. DONATED CARGO EXEMPTION FROM HARBOR MAINTENANCE FEE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 58a; 19 USC 66; 19 USC 1202; 19 USC 1624; 31 USC 9701; 19 USC 58b; 19 USC 58c

**CFR Citation:** 19 CFR 24

**Legal Deadline:** None

**Abstract:** Amends interim Customs Regulations relating to harbor maintenance fees. The interim regulations established a shipping fee for transporting cargo on specified U.S. waterways. The Act was amended to include an exemption for nonprofit organizations or cooperatives, which own or finance cargo determined by Customs to be intended for use in humanitarian or development assistance overseas. This amendment sets forth the applicability and terms of this exemption.

**Timetable:**

Action	Date
Interim Final Rule	01/08/92 57 FR 607

Action	Date
Interim Final Rule Effective	01/08/92
Interim Final Rule Comment Period End	03/09/92
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Deborah Thompson, Accountant, Accounts Receivable Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Finance, Indianapolis, IN 46278  
Phone: 317 298-1200

**RIN:** 1515-AA87

**2514. NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)—IMPLEMENTATION OF DUTY-DEFERRAL PROGRAM PROVISIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1448; 19 USC 1481; 19 USC 1484; 19 USC 1202; 19 USC 1315; 19 USC 1624; 19 USC 3314

**CFR Citation:** 19 CFR 181; 19 CFR 113; 19 CFR 141; 19 CFR 144; 19 CFR 10

**Legal Deadline:** Final, Statutory, January 1, 1996.

**Abstract:** Document amends regulations to establish procedural and other requirements that apply to the collection, waiver, and reduction of

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duties under the duty-deferral program provisions of the North American Free Trade Agreement (NAFTA). The document prescribes the documentary and other requirements that must be followed when merchandise is withdrawn from a U.S. duty-deferral program, either for exportation to another NAFTA country or for entry into a duty-deferral program of another NAFTA country, the procedures that must be followed in filing a claim for a waiver or reduction of duties collected on such merchandise, and the procedures for finalization of duty collections and duty waiver or reduction claims.

**Timetable:**

Action	Date
Interim Final Rule Effective	01/01/96
Interim Final Rule	01/30/96 61 FR 2908
Interim Final Rule Comment Period End	04/01/96
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Shawn Filion, Commercial Program Specialist, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, North Star Commercial, P.O. Box 400, Buffalo, NY 14225  
Phone: 716 551-3053

**RIN:** 1515-AB87

### 2515. CUSTOMS ENTRY DOCUMENTATION PURSUANT TO ANTICOUNTERFEITING CONSUMER PROTECTION ACT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1448; 19 USC 1484; 19 USC 1624

**CFR Citation:** 19 CFR 141

**Legal Deadline:** Final, Statutory, January 2, 1997.

**Abstract:** Document implements section 12 of the Anticounterfeiting Consumer Protection Act of 1996 (ACPA), which was enacted by Congress to protect consumers and American businesses from counterfeit copyrighted and trademarked products. Section 12 of the ACPA concerns the content of entry documentation required by Customs to determine whether the imported merchandise or

its packaging bears an infringing trademark. Amendment requires importers to provide on the invoice a listing of all trademarks appearing on imported merchandise and its packaging.

**Timetable:**

Action	Date
NPRM	09/13/99 64 FR 49423
NPRM Comment Period End	12/13/99 64 FR 62135
Final Action	07/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** George F. McCray, Chief, Intellectual Property Rights Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8709

**RIN:** 1515-AC15

### 2516. COUNTRY-OF-ORIGIN MARKING

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1202; 19 USC 1304; 19 USC 1624

**CFR Citation:** 19 CFR 134

**Legal Deadline:** None

**Abstract:** Amendments clarify the country-of-origin marking rules set forth in part 134 of the Customs Regulations. Amendments promote the concept of informed compliance by the trade and proper field administration of the statutory requirement.

**Timetable:**

Action	Date
NPRM	01/26/00 65 FR 4193
NPRM Comment Period End	04/26/00 65 FR 17473
Final Action	10/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Monika Rice Brenner, Chief, Special Classification and Marking Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8810

Kristen VerSteege, Attorney-Advisor, Special Classification and Marking Branch, Department of Homeland Security, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8832

**RIN:** 1515-AC32

### 2517. EXPANDED METHODS OF PAYMENT OF DUTIES, TAXES, INTEREST, AND FEES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 197; 19 USC 198; 19 USC 58a; 19 USC 58b; 19 USC 58c; 19 USC 66; 19 USC 1202; 19 USC 1450; 19 USC 1624; 31 USC 9701

**CFR Citation:** 19 CFR 24

**Legal Deadline:** None

**Abstract:** Amendment to expand the number of ways that Customs will accept payment of duties, taxes, fees, interest, and other charges. Currently, the regulations allow for credit or charge cards, which have been authorized by the Commissioner of Customs, to be used at designated Customs-serviced locations with a limitation that this method of payment may only be used by noncommercial entities. Amendment allows payment of duties, taxes, fees, interest, and other charges by any electronic technology or charge cards (either debit or credit cards) that are authorized by the Commissioner of Customs and by removing the limitation that these methods of payment may only be used by noncommercial entities.

**Timetable:**

Action	Date
NPRM	03/17/99 64 FR 13141
NPRM Comment Period End	05/17/99
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Linda Lloyd, Financial Officer, Financial Policy Division, Department of Homeland Security, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0119

**RIN:** 1515-AC40

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**2518. USER AND NAVIGATION FEES; OTHER REIMBURSABLE CHARGES****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 58a to 58c; 19 USC 66; 19 USC 1202; 19 USC 1431; 19 USC 1433; 19 USC 1434; 19 USC 1505; 19 USC 1624; 31 USC 9701; 46 USC 2110 to 2112**CFR Citation:** 19 CFR 4; 19 CFR 24; 19 CFR 101**Legal Deadline:** None**Abstract:** Amendment regarding the proper assessment of user and navigation fees, as well as other reimbursement charges for Customs services performed in connection with, among other things, the processing of vehicles, vessels, aircraft, and merchandise arriving in the United States. The purpose of the amendment is to conform the regulations with the intent of the Customs user fee statute and to reflect existing operational policy and administrative practice in this area.**Timetable:**

Action	Date
NPRM	05/01/01 66 FR 21705
NPRM Comment Period End	07/02/01
Final Action	08/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Kimberly Nott, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0042**RIN:** 1515-AC63**2519. AFRICAN GROWTH AND OPPORTUNITY ACT AND GENERALIZED SYSTEM OF PREFERENCES****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2461; 19 USC 3314; 19 USC 3721**CFR Citation:** 19 CFR 10; 19 CFR 163**Legal Deadline:** Final, Statutory, October 1, 2000, Public Law 106-200.**Abstract:** Amendments to implement the trade benefit provisions for sub-

Saharan Africa contained in title I of the Trade and Development Act of 2000. The trade benefits under title I, also referred to as the African Growth and Opportunity Act, apply to sub-Saharan African countries designated by the President and involve the extension of duty-free treatment under the Generalized System of Preferences (GSP) to non-import-sensitive, non-textile articles normally excluded from GSP duty-free treatment, and the entry of specific textile and apparel articles free of duty and free of any quantitative limits.

**Timetable:**

Action	Date
Interim Final Rule Effective	10/01/00
Interim Final Rule	10/05/00 65 FR 59668
Interim Final Rule Comment Period End	12/04/00
Final Action	10/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Cynthia Reese, Senior Attorney, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790Leon Hayward, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-3271**RIN:** 1515-AC72**2520. EXPANDED WEEKLY ENTRY PROCEDURE FOR FOREIGN TRADE ZONES****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 81a to 81u; 19 USC 1202; 19 USC 1484i; 19 USC 1623; 19 USC 1624**CFR Citation:** 19 CFR 146**Legal Deadline:** None**Abstract:** Amendment in conformance with the Trade and Development Act of 2000 to expand the weekly entry procedure for foreign trade zones to include merchandise involved in activities other than exclusively assembly-line production operations.

Under the expanded weekly procedure, weekly entries covering estimated removals of merchandise from a foreign trade zone for any seven-day period and the associated entry summaries will have to be filed exclusively through the Automated Broker Interface, with duties, fees, and taxes being scheduled for payment through the Automated Clearinghouse.

**Timetable:**

Action	Date
NPRM	07/25/02 67 FR 48594
NPRM Comment Period End	09/23/02
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Debbie Scott, Chief, Entry and Drawback Management, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1962**RIN:** 1515-AC74**2521. UNITED STATES-CARIBBEAN BASIN TRADE PARTNERSHIP ACT AND CARIBBEAN BASIN INITIATIVE****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2701; 19 USC 3314**CFR Citation:** 19 CFR 10; 19 CFR 163**Legal Deadline:** Final, Statutory, October 1, 2000, Public Law 106-200.**Abstract:** Amendments to implement the trade benefit provisions for Caribbean Basin countries contained in title II of the Trade and Development Act of 2000. The trade benefits under title II, also referred to as the United States-Caribbean Basin Trade Partnership Act (the CBTPA), apply to Caribbean Basin countries designated by the President and involve the entry of specific textile and apparel articles free of duty and free of any quantitative restrictions, limitations, or consultation levels and the extension of NAFTA duty treatment standards to non-textile articles that are excluded from duty-free treatment under the Caribbean Basin Initiative program.

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**Timetable:**

Action	Date	
Interim Final Rule Effective	10/01/00	65 FR 59650
Interim Final Rule	10/05/00	65 FR 59650
Interim Final Rule Comment Period End	12/04/00	
Final Action	10/00/03	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Craig Walker, Senior Attorney-Advisor, Department of Homeland Security, Bureau of Customs and Border Protection, Special Classification and Marking Branch, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
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Leon Hayward, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-3271

Cynthia Reese, Senior Attorney, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

RIN: 1515-AC76

**2522. REIMBURSABLE CUSTOMS INSPECTIONAL SERVICES—INCREASE IN HOURLY RATE CHARGE****Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 5 USC 6103; 19 USC 58a to 58c; 19 USC 66; 19 USC 261; 19 USC 267; 19 USC 1202; 19 USC 1450 to 1452; 19 USC 1456; 19 USC 1505; 19 USC 1557; 19 USC 1562; 19 USC 1624; 26 USC 4461; 26 USC 4462; 31 USC 9701; 46 USC 2110 to 2112

**CFR Citation:** 19 CFR 24; 19 CFR 101**Legal Deadline:** None

**Abstract:** Amendment to increase the rate of charge for reimbursable Customs inspectional services.

**Timetable:**

Action	Date	
NPRM	02/01/01	66 FR 8554

Action	Date	
NPRM Comment Period End	04/02/01	
Second NPRM	10/09/02	67 FR 62920
Second NPRM Comment Period End	12/09/02	
Final Action	12/00/03	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Dennis Lomax, Accountant, Department of Homeland Security, Bureau of Customs and Border Protection, Accounting Services Division, Office of Finance, Indianapolis, IN 46278  
Phone: 317 298-1200

RIN: 1515-AC77

**2523. USER FEES****Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 58a to 58c; 19 USC 66; 19 USC 1202; 19 USC 1505; 19 USC 1624; 26 USC 4461; 26 USC 4462; 31 USC 9701

**CFR Citation:** 19 CFR 24; 19 CFR 111**Legal Deadline:** None

**Abstract:** Amendment to reflect amendments to 19 U.S.C. 58c, the Customs user fee statute, made by the Miscellaneous Trade and Technical Corrections Act of 1999 (the Act), as well as prior legislative changes to that user fee statute. Amendment sets forth, pursuant to the Act, the new fee structure for passengers arriving in the United States aboard commercial vessels and aircraft, and clarifies how Customs administers certain user fees.

**Timetable:**

Action	Date	
NPRM	03/18/02	67 FR 11954
NPRM Comment Period End	05/17/02	
Final Action	07/00/03	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Robert Reiley, Financial Officer, Financial Management Division, Department of Homeland Security, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1504

RIN: 1515-AC81

**2524. DOG AND CAT PROTECTION ACT****Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1308; 19 USC 1592; 19 USC 1593a; 19 USC 1624

**CFR Citation:** 19 CFR 12; 19 CFR 113; 19 CFR 151; 19 CFR 162**Legal Deadline:** Final, Statutory, August 9, 2001, Public Law 106-476.

**Abstract:** Amendment to implement certain provisions of the Dog and Cat Protection Act of 2000. The Dog and Cat Protection Act of 2000 prohibits the importation of any products containing dog or cat fur, and provides for civil and criminal penalties for violations of the Act. Amendment sets forth the prohibitions on dog and cat fur importations and the penalties for violations. Amendment also implements the provision of the Act pertaining to Customs certification process of commercial laboratories, both domestic and foreign, that can determine if articles intended to be imported into the United States contain dog or cat fur.

**Timetable:**

Action	Date	
NPRM	08/10/01	66 FR 42163
NPRM Comment Period End	10/09/01	
Final Action	12/00/03	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Luan Cotter, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1249

Renee Stevens, Science Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Laboratories and Scientific Services, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0941

Jeremy Baskin, Attorney-Advisor, Penalties Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229

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Phone: 202 572-8753

RIN: 1515-AC87

**2525. PROTOTYPES USED SOLELY FOR PRODUCT DEVELOPMENT, TESTING, EVALUATION, OR QUALITY CONTROL PURPOSES****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; PL 106-476**CFR Citation:** 19 CFR 10; 19 CFR 163**Legal Deadline:** Final, Statutory, September 9, 2001, Public Law 106-476.

**Abstract:** Amendment to establish rules and procedures under the Product Development and Testing Act of 2000 (PDTA). The purpose of the PDTA is to promote product development and testing in the United States by allowing the duty-free entry of articles, commonly referred to as prototypes, that are to be used exclusively in product development, testing, evaluation, and quality control. Amendments set forth the procedures for both the identification of those prototypes properly entitled to duty-free entry, as well as the permissible sale of such prototypes, following use in the United States, as scrap, waste, or for recycling.

**Timetable:**

Action	Date
NPRM	03/08/02 67 FR 10636
NPRM Comment Period End	04/08/02
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Lisa Santana, Import Specialist, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-4342

RIN: 1515-AC88

**2526. PREFERENTIAL TREATMENT OF BRASSIERES UNDER THE UNITED STATES-CARIBBEAN BASIN TRADE PARTNERSHIP ACT****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2701; 19 USC 3314**CFR Citation:** 19 CFR 10; 19 CFR 163**Legal Deadline:** Final, Statutory, October 1, 2001, Public Law 106-200.

**Abstract:** Amendment to implement those provisions within the United States-Caribbean Basin Trade Partnership Act (the CBTPA) that establish standards for preferential treatment for brassieres imported from CBTPA beneficiary countries. The amendments involve specifically the methods, procedures, and related standards that will apply for purposes of determining compliance with the 75 percent aggregate U.S. fabric components content requirement under the CBTPA brassieres provision.

**Timetable:**

Action	Date
Interim Final Rule	10/04/01 66 FR 50534
Interim Final Rule Effective	10/04/01
Correction	10/11/01 66 FR 51864
Interim Final Rule Comment Period End	12/03/01
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Dick Crichton, Operations Officer, Office of Field Operations, Department of Homeland Security, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0162

Cynthia Reese, Senior Attorney, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

RIN: 1515-AC89

**2527. SINGLE ENTRY FOR UNASSEMBLED OR DISASSEMBLED ENTITIES IMPORTED ON MULTIPLE CONVEYANCES****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1448; 19 USC 1484; 19 USC 1624**CFR Citation:** 19 CFR 141; 19 CFR 142**Legal Deadline:** Final, Statutory, May 9, 2001, Public Law 106-476.

**Abstract:** Amendment to allow an importer of record, under certain conditions, to submit a single entry to cover multiple portions of a single entity which, due to its size or nature, arrives in the United States on separate conveyances. Amendment implements statutory changes made to the merchandise entry laws by the Tariff Suspension and Trade Act of 2000.

**Timetable:**

Action	Date
NPRM	04/08/02 67 FR 16664
NPRM Comment Period End	06/07/02
Final Action	09/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Gina Grier, Attorney, Entry Procedures and Carriers Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8730

Robert E. Watt, Program Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0279

RIN: 1515-AC94

**2528. CIVIL FINES FOR IMPORTATION OF MERCHANDISE BEARING A COUNTERFEIT MARK****Priority:** Substantive, Nonsignificant**Legal Authority:** 17 USC 101; 17 USC 601 to 603; 19 USC 66; 19 USC 1624; 31 USC 9701**CFR Citation:** 19 CFR 133**Legal Deadline:** None

**Abstract:** Amendment pertaining to the importation of merchandise bearing a



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counterfeit mark to clarify the limit on the amount of a civil fine which may be assessed by Customs when merchandise bearing a counterfeit mark is imported. Current regulations use, as a measurement for determining the limit, the domestic value of merchandise as if it had been genuine, based on the manufacturer's suggested retail price of the merchandise at the time of seizure. The amendment adheres more closely to the statutory language, basing the limit of the civil fine on the value of the genuine goods according to the manufacturer's suggested retail price, without any reference to domestic value.

**Timetable:**

Action	Date
NPRM	06/07/02 67 FR 39321
NPRM Comment Period End	08/06/02
Final Action	07/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lynne O. Robinson, Attorney, Penalties Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8743

**RIN:** 1515-AC98

### 2529. PASSENGER AND CREW MANIFESTS REQUIRED FOR PASSENGER FLIGHTS IN FOREIGN AIR TRANSPORTATION TO THE UNITED STATES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 58b; 19 USC 66; 19 USC 1433; 19 USC 1436; 19 USC 1448; 19 USC 1459; 19 USC 1590; 19 USC 1594; 19 USC 1623; 19 USC 1624; 19 USC 1644; 19 USC 1644a; 49 USC 44909(c); 19 USC 1431

**CFR Citation:** 19 CFR 122

**Legal Deadline:** None

**Abstract:** Amendment to implement a provision of the Aviation and Transportation Security Act, which requires that each air carrier, foreign and domestic, operating a passenger flight in foreign air transportation to the United States electronically transmit to Customs in advance of arrival a passenger and crew manifest that

contains certain specified information. The submission of this information to Customs is required for purposes of ensuring aviation safety and protecting national security.

**Timetable:**

Action	Date
Interim Final Rule	12/31/01 66 FR 67482
Interim Final Rule Comment Period End	03/01/02
Final Action	10/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** James Jeffers, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-4444

**RIN:** 1515-AC99

### 2530. MANUFACTURING SUBSTITUTION DRAWBACK—DUTY APPORTIONMENT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1202; 19 USC 1313; 19 USC 1624

**CFR Citation:** 19 CFR 191

**Legal Deadline:** None

**Abstract:** Amendment to provide the method for calculating manufacturing substitution drawback where imported merchandise, which is dutiable on its value, contains a chemical element and amounts of that chemical element are used in the manufacture or production of articles that are either exported or destroyed under Customs supervision. Recent court cases have held that a chemical element that is contained in an imported material that is subject to an ad valorem rate of duty may be designated as same kind and quality merchandise for drawback purposes. Amendment provides the method by which the duty attributable to the chemical element can be apportioned. Amendment requires a drawback claimant, where applicable, to make this apportionment calculation.

**Timetable:**

Action	Date
Interim Final Rule	07/24/02 67 FR 48368
Interim Final Rule Effective	07/24/02

Action	Date
Interim Final Rule Comment Period End	09/23/02
Final Action	07/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** William G. Rosoff, Chief, Duty Refund and Determination Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8807

**RIN:** 1515-AD02

### 2531. ACCESS TO CUSTOMS SECURITY AREAS AT AIRPORTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 58b; 19 USC 66; 19 USC 1433; 19 USC 1436; 19 USC 1448; 19 USC 1459; 19 USC 1590; 19 USC 1594; 19 USC 1623; 19 USC 1624; 19 USC 1644; 19 USC 1644a

**CFR Citation:** 19 CFR 122

**Legal Deadline:** None

**Abstract:** Amendments regarding the standards for employee access to Customs security areas at airports that accommodate international air commerce. Amendments involve the addition of a biennial access approval reapplication requirement; an expansion of the grounds for denial of an application for access; the addition of a requirement that each employee granted access must report to Customs certain changes in the employee's circumstances; the inclusion of several new employer responsibilities; an expansion of the grounds for revocation or suspension of access and for proposed revocation or suspension of access; and a limitation of the opportunity to have a hearing in a revocation or suspension action to only cases in which there is a genuine issue regarding a material fact. The changes are needed to enhance the security areas and are commensurate with the heightened enforcement posture of the Federal Government following the September 11, 2001, terrorist attacks.

**Timetable:**

Action	Date
Interim Final Rule	07/29/02 67 FR 48977

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Action	Date
Interim Final Rule Effective	07/29/02
Interim Final Rule Comment Period End	09/27/02
Final Action	09/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Elizabeth Tritt, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-4434

RIN: 1515-AD04

**2532. CONDITIONAL RELEASE PERIOD AND CUSTOMS BOND OBLIGATIONS FOR FOOD, DRUGS, DEVICES, AND COSMETICS****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1448; 19 USC 1484; 19 USC 1499; 19 USC 1623; 19 USC 1624; 21 USC 381**CFR Citation:** 19 CFR 141; 19 CFR 151**Legal Deadline:** None

**Abstract:** Amendment to provide for a specific conditional release period for any food, drug, device, or cosmetic that has been released under bond and for which admissibility is to be determined under the provisions of the Food, Drug, and Cosmetic Act. Amendment also clarifies the amount of liquidated damages that may be assessed when there is a breach of the terms and conditions of the Customs bond. Lastly, amendment authorizes any representative of the Food and Drug Administration to obtain a sample of any food, drug, device, or cosmetic, the importation of which is governed by section 801 of the Food, Drug, and Cosmetic Act, as amended.

**Timetable:**

Action	Date
NPRM	06/07/02 67 FR 39322
NPRM Comment Period End	08/06/02
Final Action	10/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Jeremy Baskin, Attorney-Advisor, Penalties Branch,

Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8753

RIN: 1515-AD05

**2533. PASSENGER NAME RECORD INFORMATION REQUIRED FOR PASSENGERS ON FLIGHTS IN FOREIGN AIR TRANSPORTATION TO OR FROM THE UNITED STATES****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 58b; 19 USC 66; 19 USC 1433; 19 USC 1436; 19 USC 1448; 19 USC 1459; 19 USC 1590; 19 USC 1594; 19 USC 1623; 19 USC 1624; 19 USC 1644; 19 USC 1644a; 19 USC 1431; 49 USC 44909(c)**CFR Citation:** 19 CFR 122**Legal Deadline:** None

**Abstract:** Amendment to implement a provision of the Aviation and Transportation Security Act, which requires that air carriers make Passenger Name Record (PNR) information available to Customs upon request. The availability of PNR information to Customs is necessary for purposes of ensuring aviation safety and protecting national security.

**Timetable:**

Action	Date
Interim Final Rule	06/25/02 67 FR 42710
Interim Final Rule Effective	06/25/02
Interim Final Rule Comment Period End	08/26/02
Final Action	10/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Liliana Quintero, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-2531

RIN: 1515-AD06

**2534. PERFORMANCE OF CUSTOMS BUSINESS BY PARENT AND SUBSIDIARY CORPORATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1624; 19 USC 1641**CFR Citation:** 19 CFR 111**Legal Deadline:** None

**Abstract:** Amendment to specify circumstances in which a corporate entity may perform certain customs business on behalf of a parent corporation or subsidiary corporation or sister subsidiary corporation without the need to obtain a customs broker license. It is anticipated that the amendment would improve the operational efficiency of the affected corporate entities and thereby enhance their ability to ensure compliance with applicable customs laws and regulations.

**Timetable:**

Action	Date
NPRM	10/15/02 67 FR 63576
NPRM Comment Period End	12/16/02
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Gina Grier, Attorney, Entry Procedures and Carriers Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8730

RIN: 1515-AD14

**2535. • CONFIDENTIALITY PROTECTION FOR VESSEL CARGO MANIFEST INFORMATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 552; 19 USC 552a; 19 USC 66; 19 USC 1431; 19 USC 1624; 31 USC 9701**CFR Citation:** 19 CFR 103**Legal Deadline:** None

**Abstract:** Amendment to provide that, in addition to the importer or consignee, parties that electronically transmit vessel cargo manifest information directly to Customs 24 or more hours before cargo is laden aboard the vessel at the foreign port may

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request confidentiality with respect to the name and address of the importer or consignee, related marks, and identification numbers that reveal their names and addresses, and the names and addresses of their shippers. These parties must submit to Customs a letter of authorization signed by the importer or consignee with the request for confidentiality.

**Timetable:**

Action	Date
NPRM	01/09/03 68 FR 1173
NPRM Comment Period End	02/10/03
Final Action	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Larry L. Burton, Director, International Trade Compliance, Department of Homeland Security, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8728

**RIN:** 1515-AD18**2536. • IMPLEMENTATION OF THE ANDEAN TRADE PROMOTION AND DRUG ERADICATION ACT****Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 3203; 19 USC 3314

**CFR Citation:** 19 CFR 10; 19 CFR 163**Legal Deadline:** None

**Abstract:** Amendment to implement the trade benefit provisions for Andean countries contained in title XXXI of the Trade Act of 2002. The trade benefits under title XXXI, also referred to as the Andean Trade Promotion and Drug Eradication Act (the ATPDEA), apply to Andean countries specifically designated by the President for ATPDEA purposes. The ATPDEA trade benefits involve the entry of specific apparel and other textile articles free of duty and free of any quantitative restrictions, limitations, or consultation levels, the extension of duty-free treatment to specified non-textile articles normally excluded from duty-free treatment under the Andean Trade Preference Act (ATPA) program if the President finds those articles to be not

import-sensitive in the context of the ATPDEA, and the entry of certain imports of tuna free of duty and free of any quantitative restrictions.

**Timetable:**

Action	Date
Interim Final Rule	03/25/03 68 FR 14478
Interim Final Rule Effective	03/25/03
Interim Final Rule Comment Period End	05/27/03
Final Action	10/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Robert Abels, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1959

Cynthia Reese, Senior Attorney, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

Craig Walker, Senior Attorney-Advisor, Department of Homeland Security, Bureau of Customs and Border Protection, Special Classification and Marking Branch, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8810

Leon Hayward, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-3271

**RIN:** 1515-AD19**2537. • TRADE BENEFITS UNDER THE AFRICAN GROWTH AND OPPORTUNITY ACT****Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 3721; 19 USC 3314

**CFR Citation:** 19 CFR 10**Legal Deadline:** None

**Abstract:** Amendment to those provisions of the Customs Regulations that implement the trade benefit provisions for sub-Saharan African countries contained in the African Growth and Opportunity Act (the AGOA). Amendments involve the textile and apparel provisions of the AGOA and in part reflect changes to those statutory provisions by section 3108 of the Trade Act of 2002. The specific statutory changes involve the amendment of several provisions to clarify the status of apparel articles assembled from knit-to-shape components, the inclusion of a specific reference to apparel articles formed on seamless knitting machines, a change of the wool fiber diameter specified in one provision, and the addition of a new provision to cover additional production scenarios involving the United States and AGOA beneficiary countries.

**Timetable:**

Action	Date
Interim Final Rule	03/21/03 68 FR 13820
Interim Final Rule Effective	03/21/03
Interim Final Rule Comment Period End	05/20/03
Final Action	10/00/03

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Robert Abels, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1959

Cynthia Reese, Senior Attorney, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1515-AD20**2538. • FEES FOR CUSTOMS PROCESSING AT EXPRESS COURIER FACILITIES****Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 58a to 58c; 19 USC 66; 19 USC 1202; 19 USC 1505; 19 USC 261; 19 USC 267; 19 USC 1450 to 1452; 19 USC 1456;

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19 USC 1524; 19 USC 1557; 19 USC 1562; 19 USC 1624; 26 USC 4461; 26 USC 4462; 19 USC 3332; 46 USC 2110 to 2112

**CFR Citation:** 19 CFR 24; 19 CFR 113; 19 CFR 128

**Legal Deadline:** None

**Abstract:** Amendment to implement amendments to the Customs user fee statute made by section 337 of the Trade Act of 2002. Statutory amendments concern the fees payable for Customs services provided in connection with the informal entry or release of shipments at express consignment carrier facilities and centralized hub facilities. The effect of the statutory amendments is to replace the annual lump sum payment procedure with a quarterly payment procedure based on a specific fee for each individual airway bill or bill of lading.

**Timetable:**

Action	Date
Interim Final Rule	08/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Joseph Lanzante, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-5246

**RIN:** 1515-AD21

**2539. • TRADE BENEFITS UNDER THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2701; 19 USC 3314

**CFR Citation:** 19 CFR 10

**Legal Deadline:** None

**Abstract:** Amendment to implement the trade benefits for Caribbean Basin countries contained in section 213(b) of the Caribbean Basin Economic Recovery Act (the CBERA). Amendments involve the textile and apparel provisions of section 213(b) and in part reflect changes made to those statutory provisions by section

3107 of the Trade Act of 2002. The specific statutory changes involve the amendment of several provisions to clarify the status of apparel articles assembled from knit-to-shape components, the addition of language requiring any dyeing, printing, and finishing of certain fabrics to be done in the United States, the inclusion of exception language in the brassieres provision regarding articles entered under other CBERA apparel provisions, the addition of a provision permitting the dyeing, printing, and finishing of thread in the Caribbean region, and the addition of a new provision to cover additional production scenarios involving the United States and the Caribbean region.

**Timetable:**

Action	Date
Interim Final Rule	03/21/03 68 FR 13827
Interim Final Rule Effective	03/21/03
Interim Final Rule Comment Period End	05/20/03
Final Action	10/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robert Abels, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1959

Cynthia Reese, Senior Attorney, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1515-AD22

**2540. • PREFERENTIAL TREATMENT OF BRASSIERES UNDER THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 3314; 19 USC 2701

**CFR Citation:** 19 CFR 10

**Legal Deadline:** None

**Abstract:** Amendment to the provisions of the Customs Regulations that implement the trade benefits for Caribbean Basin countries contained in section 213(b) of the Caribbean Basin Economic Recovery Act (the CBERA). The amendments involve the brassieres provision of section 213(b) and primarily reflect changes made to that statutory provision by section 3107 of the Trade Act of 2002.

**Timetable:**

Action	Date
Interim Final Rule	07/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robert Abels, Operations Officer, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1959

Cynthia Reese, Senior Attorney, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1515-AD24

**2541. • REFUND OF DUTIES PAID ON IMPORTS OF CERTAIN WOOL PRODUCTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624

**CFR Citation:** 19 CFR 10

**Legal Deadline:** None

**Abstract:** Amendment to remove the regulation originally promulgated to provide procedures for the issuance of refunds of duties paid on certain wool imports pursuant to section 505 of title V of the Trade and Development Act of 2000. As section 5101 of the Trade Act of 2002 significantly amended section 505 and provides self-effectuating procedures for the issuance of the refunds, the regulation implementing section 505 is no longer necessary and is obsolete.

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**Timetable:**

Action	Date
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Suzanne Kingsbury, Attorney, Regulations Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8763

**RIN:** 1515-AD27**2542. • CUSTOMS BROKER LICENSE EXAMINATION DATES****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1624; 19 USC 1641**CFR Citation:** 19 CFR 111**Legal Deadline:** None

**Abstract:** Amendment to allow Customs to publish a notice changing the date on which a semiannual written

examination for an individual broker's license will be held when the normal date (the first Monday in April and October) conflicts with a holiday, religious observance, or other scheduled event.

**Timetable:**

Action	Date
Interim Final Rule	06/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Mike Craig, Operations Officer, Broker Management Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1684

**RIN:** 1515-AD28**2543. • CONFIDENTIALITY OF COMMERCIAL INFORMATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 5 USC 552; 5 USC 552a; 19 USC 66; 19 USC

1431; 19 USC 1624; 19 USC 1628; EO 12600

**CFR Citation:** 19 CFR 103**Legal Deadline:** None

**Abstract:** Amendment regarding the disclosure procedures that Customs follows when commercial information is provided to Customs by a business submitter.

**Timetable:**

Action	Date
Interim Final Rule	06/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Kelly Herman, Attorney, Disclosure Law Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8713

**RIN:** 1515-AD29

## Department of the Treasury (TREAS)

Long-Term Actions

## United States Customs Service (CUSTOMS)

**2544. ENTRY OF SOFTWOOD LUMBER SHIPMENTS FROM CANADA****Priority:** Substantive, Nonsignificant**CFR Citation:** 19 CFR 12; 19 CFR 113**Timetable:**

Action	Date
Interim Final Rule	02/26/97 62 FR 8620
Interim Final Rule Effective	02/26/97
Interim Final Rule Comment Period End	04/28/97
Final Action	To Be Determined

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Leon Hayward  
Phone: 202 927-3271

**Related RIN:** Related To 1515-AC62**RIN:** 1515-AB97**2545. DESIGNATED LAND BORDER CROSSING LOCATIONS FOR CERTAIN CONVEYANCES****Priority:** Substantive, Nonsignificant**CFR Citation:** 19 CFR 123**Timetable:**

Action	Date
NPRM	11/17/97 62 FR 61251
NPRM Comment Period End	01/16/98
Final Action	To Be Determined

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Federalism:** Undetermined

**Agency Contact:** Dennis Dore  
Phone: 202 927-3274

**RIN:** 1515-AC12**2546. ENTRY OF SOFTWOOD LUMBER SHIPMENTS FROM CANADA****Priority:** Substantive, Nonsignificant**CFR Citation:** 19 CFR 12**Timetable:**

Action	Date
Interim Final Rule	05/23/00 65 FR 33251
Interim Final Rule Effective	05/23/00
Interim Final Rule Comment Period End	07/24/00
Final Action	To Be Determined

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Leon Hayward  
Phone: 202 927-3271

**Related RIN:** Related To 1515-AB97**RIN:** 1515-AC62**2547. SIMPLIFICATION OF IN-TRANSIT TRUCK SHIPMENTS BETWEEN CANADA AND THE UNITED STATES****Priority:** Substantive, Nonsignificant**CFR Citation:** 19 CFR 123

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## Long-Term Actions

## Timetable:

Action	Date
NPRM	To Be Determined

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Raymond Janiszewski  
Phone: 202 927-0365

RIN: 1515-AC65

## 2548. PROCEDURES GOVERNING THE BORDER RELEASE ADVANCED SCREENING AND SELECTIVITY (BRASS) PROGRAM

Priority: Substantive, Nonsignificant

CFR Citation: 19 CFR 24; 19 CFR 123; 19 CFR 132; 19 CFR 142

## Timetable:

Action	Date
NPRM	02/01/02 67 FR 4930

Action	Date
NPRM Comment Period End	04/02/02
Final Action	To Be Determined

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Enrique S. Tamayo  
Phone: 202 927-0693

RIN: 1515-AC92

Department of the Treasury (TREAS)  
United States Customs Service (CUSTOMS)

## Completed Actions

## 2549. DEFERRAL OF DUTY ON LARGE YACHTS IMPORTED FOR SALE

Priority: Substantive, Nonsignificant

CFR Citation: 19 CFR 4; 19 CFR 113

## Completed:

Reason	Date
Final Action	03/20/03 68 FR 13623
Final Action Effective	04/21/03

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Larry L. Burton  
Phone: 202 572-8728

RIN: 1515-AC58

## Completed:

Reason	Date
Final Action	02/25/03 68 FR 8713
Final Action Effective	03/27/03

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Gina Grier  
Phone: 202 572-8730

RIN: 1515-AC91

**Abstract:** Pursuant to the Federal Civil Penalties Inflation Act of 1990 (the Act), each Federal agency is required to adjust for inflation any civil monetary penalty covered by the Act that may be assessed in connection with violations of those statutes that the agency administers. While civil monetary penalties assessed by Customs under any provisions of the Tariff Act of 1930 are specifically exempted from the Act, Customs does administer two statutory provisions covered by the Act. One statute concerns the transportation of passengers between ports or places in the United States, the other concerns the coastwise towing of vessels. This amendment adjusts the amount of penalty that can be assessed for violations incurred under these two statutory provisions.

## Timetable:

Action	Date
Final Rule	03/21/03 68 FR 13819
Final Rule Effective	03/21/03

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Jeremy Baskin, Attorney-Advisor, Penalties Branch, Department of Homeland Security, Bureau of Customs and Border Protection, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8753

RIN: 1515-AD25

BILLING CODE 4820-02-S

## 2550. RULES OF ORIGIN FOR TEXTILE AND APPAREL PRODUCTS

Priority: Substantive, Nonsignificant

CFR Citation: 19 CFR 102

## Completed:

Reason	Date
Final Action	02/25/03 68 FR 8711
Final Action Effective	02/25/03

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Cynthia Reese  
Phone: 202 572-8790

RIN: 1515-AC80

## 2552. ENTRY OF CERTAIN STEEL PRODUCTS

Priority: Substantive, Nonsignificant

CFR Citation: 19 CFR 12

## Completed:

Reason	Date
Final Rule	03/21/03 68 FR 13835
Final Rule Effective	03/21/03

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Lisa Santana  
Phone: 202 927-4342

RIN: 1515-AD15

## 2551. SINGLE ENTRY FOR SPLIT SHIPMENTS

Priority: Substantive, Nonsignificant

CFR Citation: 19 CFR 141; 19 CFR 142

## 2553. • COMPLIANCE WITH INFLATION ADJUSTMENT ACT

Priority: Substantive, Nonsignificant

Legal Authority: 5 USC 301; 19 USC 66; 19 USC 1431; 19 USC 1433; 19 USC 1624; 28 USC 2461 note; 46 USC 12106; 46 USC App 289; 46 USC App 316(a)

CFR Citation: 19 CFR 4

Legal Deadline: None

**Department of the Treasury (TREAS)**  
**Internal Revenue Service (IRS)**

Prerule Stage

**2554. LIABILITIES ASSUMED IN CERTAIN CORPORATE TRANSACTIONS**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 357**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These proposed regulations relate to the assumption of liabilities in certain corporate transactions under section 357 of the Internal Revenue Code, and affect corporations and their shareholders.

**Timetable:**

Action	Date
ANPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No
**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-100818-01

Drafting attorney: Douglas C. Bates (202) 622-7550

Reviewing attorney: Debra Carlisle (202) 622-7550

CC:CORP

**Agency Contact:** Douglas C. Bates, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

**RIN:** 1545-AY74
**2555. COMMUNICATIONS EXCISE TAX; TAXABLE COMMUNICATION SERVICES**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 4251; 26 USC 7805**CFR Citation:** 26 CFR 49**Legal Deadline:** None

**Abstract:** This regulation provides a definition of taxable communications services under section 4251.

**Timetable:**

Action	Date
ANPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No
**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Additional Information:** REG-137076-02

Drafting attorney: Cynthia A. McGreevy (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Cynthia A. McGreevy, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**RIN:** 1545-BB04
**2556. • FRACTIONAL PARTS OF A DOLLAR (TEMPORARY)**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7504**CFR Citation:** 26 CFR 7504; 26 CFR 301**Legal Deadline:** None

**Abstract:** Regulations will authorize the Internal Revenue Service (IRS) to round figures when transcribing amounts from forms into the IRS's database.

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis Required:** No
**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-147965-02

Drafting attorney: Marcy W. Mendelsohn (202) 622-4940

Reviewing attorney: Charles A. Hall (202) 622-4940

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJP

**Agency Contact:** Marcy W. Mendelsohn, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**Related RIN:** Related To 1545-BB35**RIN:** 1545-BB42
**2557. • UPDATE TO SECTION 6081 REGULATIONS (TEMPORARY)**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6081**CFR Citation:** 26 CFR 1; 26 CFR 31; 26 CFR 602**Legal Deadline:** None

**Abstract:** These temporary regulations will allow an automatic extension of time to file certain information returns.

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis Required:** No
**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-107618-02

Drafting attorney: Charles A. Hall (202) 622-4940

Reviewing attorney: Judith M. Wall (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJP

**Agency Contact:** Charles A. Hall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BB55
**2558. • GUIDANCE REGARDING MARK-TO-MARKET VALUATION FOR CERTAIN SECURITIES**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 475; 26 USC 446**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** Section 475(a) requires that dealers in securities must mark their securities to market. If the security is inventory, the dealer must include that security at fair market value. Taxpayers must treat any securities that are not inventory as if they were sold for its fair market value on the last business day of the year. While the legal definition of the term "fair market value" has long been settled, the statute is silent as to what valuation methodology should be used to determine fair market value of any

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## Prerule Stage

particular security. Many of the securities subject to section 475 raise difficult valuation issues. This advanced notice of proposed rulemaking is asking for comments on rules and standards that the IRS is considering using a financial statement-tax conformity approach for valuing certain securities under section 475 for which the determination of actual fair market value is administratively difficult. The rules will include: (1) the securities to which this approach applies; (2) the taxpayers who may elect this approach; (3) the election into the approach; (4) the applicable financial statements to be used; (5) the record-keeping, retention, and availability requirements for verification of financial statement-tax conformity; and (6) what approach will apply if the election for financial statement-tax conformity is not made.

**Timetable:**

Action	Date
ANPRM	06/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-100420-03

Drafting attorney: Marsha A. Sabin (202) 622-3950

Reviewing attorney: Robert Williams (202) 622-3960

Treasury attorneys: Michael Novey (202) 622-1339 and Viva Hammer (202) 622-0869

CC:FIP

**Agency Contact:** Marsha A. Sabin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950

**RIN:** 1545-BB90**2559. • DISCLOSURE OF RETURN INFORMATION TO THE DEPARTMENT OF AGRICULTURE (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6103(j)(5)**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** This temporary regulation relates to return information to be disclosed to the Department of Agriculture for use in conducting the Census of Agriculture. The regulation will conform the language in the current regulation at 26 CFR

301.6103(j)(5)-1 to the language adopted in the recently published regulation pertaining to disclosures to the Bureau of the Census at 26 CFR 301.6103(j)(1)-1.

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Federal**Additional Information:** REG-103809-03

Drafting attorney: Christine S. Irwin (202) 622-4570

Reviewing attorney: Gerald Ryan (202) 622-4570

CC:PA:DPL

**Agency Contact:** Christine S. Irwin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4570

**Related RIN:** Related To 1545-BA56, Related To 1545-BA35

**RIN:** 1545-BB91

## Department of the Treasury (TREAS)

## Proposed Rule Stage

## Internal Revenue Service (IRS)

**2560. FOREIGN INSURANCE COMPANIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 842; 26 USC 864**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will prescribe rules for determining investment income effectively connected with the conduct of an insurance business in the United States by a foreign company.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209066-88 (INTL-024-88)

Drafting attorney: Sheila Ramaswamy (202) 622-3870

Reviewing attorney: Steven Jensen (202) 622-3870

CC:INTL

**Agency Contact:** Sheila Ramaswamy, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870

**RIN:** 1545-AL82**2561. OUTBOUND TRANSFERS OF PROPERTY TO FOREIGN CORPORATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 367**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The income tax regulations under section 367(a) will be amended to reflect the changes made to that section by the Technical and Miscellaneous Corrections Act of 1988. Section 367(a)(5) now provides that a transfer of assets to a foreign corporation in an exchange described in section 361 is subject to section 367(a)(1), unless certain ownership requirements and other conditions are met. The regulations will provide guidance regarding the application of this section. The change in the statute was necessitated by the repeal of "General Utilities."

**Timetable:**

Action	Date
NPRM	12/00/03



## TREAS—IRS

## Proposed Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209006-89 (INTL-089-89)

Drafting attorney: Tasheaya Warren Ellison (202) 622-3860

Reviewing attorney: Charlie Besecky (202) 622-3860

CC:INTL

**Agency Contact:** Tasheaya Warren Ellison, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860**RIN:** 1545-AM97**2562. FOREIGN INSURANCE COMPANY—DOMESTIC ELECTION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 953**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will provide substantive and procedural rules regarding the election under section 953(d) to treat certain controlled foreign corporations engaged in the insurance business as domestic corporations.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208980-89 (INTL-765-89)

Drafting attorney: Valerie A. Mark-Lippe (202) 622-3840

Reviewing attorney: Phyllis Marcus (202) 622-3840

CC:INTL

**Agency Contact:** Valerie A. Mark-Lippe, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840**RIN:** 1545-AO25**2563. FRINGE BENEFIT SOURCING UNDER SECTION 861****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 861**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will address the circumstances in which an allocation of income of an individual for the performance of services, both within and outside the United States, is appropriately made only on the time basis.**Timetable:**

Action	Date
NPRM	01/21/00 65 FR 3402
Public Hearing	07/18/00
Second NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208254-90 (INTL-107-90)

Drafting attorney: David F. Bergkuist (202) 622-3850

Reviewing attorney: Richard L. Chewning (202) 622-3850

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**Agency Contact:** David F. Bergkuist, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850**RIN:** 1545-AO72**2564. TAXATION OF GLOBAL TRADING****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 864; 26 USC 482; 26 USC 863**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations will improve the taxation of global trading.**Timetable:**

Action	Date
ANPRM	08/28/90 55 FR 35152
NPRM	03/06/98 63 FR 11177
NPRM Comment	06/04/98
Period End	
Hearing	07/14/98
Second NPRM	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208299-90 (INTL-70-90)

Drafting attorney: Kenneth P. Christman (202) 622-3870

Reviewing attorney: Paul S. Epstein (202) 622-3870

Treasury attorney: Patricia Brown (202) 622-1781

CC:INTL

**Agency Contact:** Kenneth P. Christman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870**RIN:** 1545-AP01**2565. INFORMATION REPORTING AND RECORD MAINTENANCE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 7801; 26 USC 6038C**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will implement the directives of section 6038C. This will be accomplished by requiring foreign corporations engaged in a U.S. business to provide specific information regarding related party transactions.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208265-90 (INTL-102-90)

Drafting attorney: Garrett D. Gregory (202) 622-3870

Reviewing attorney: Steven Jensen (202) 622-3870

Treasury attorney: Patricia Brown (202) 622-1781

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**Agency Contact:** Garrett D. Gregory, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,

## TREAS—IRS

## Proposed Rule Stage

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RIN: 1545-AP10

### 2566. INTEGRATED FINANCIAL TRANSACTION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 864

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation addresses whether matched book sale and repurchase transactions conducted by securities dealers qualify as integrated financial transactions under section 1.861-10(c).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209604-93 (INTL-001-93)

Drafting attorney: Kenneth P. Christman (202) 622-3870

Reviewing attorney: Paul S. Epstein (202) 622-3870

Treasury attorney: Patricia Brown (202) 622-1781

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Phone: 202 622-3870

RIN: 1545-AR20

### 2567. SOURCE RULES FOR PAYMENTS MADE PURSUANT TO CERTAIN SWAP ARRANGEMENTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 863; 26 USC 7701

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will provide rules for determining the source and character of payments made in certain swap transactions.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-253560-96

Drafting attorney: Paul S. Epstein (202) 622-3870

Reviewing attorney: Paul S. Epstein (202) 622-3870

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Phone: 202 622-3870

RIN: 1545-AU89

### 2568. SUBSTANTIATING TRAVEL EXPENSE DEDUCTIONS FOR MEMBERS OF CONGRESS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1; 26 CFR 5

**Legal Deadline:** None

**Abstract:** This regulation provides rules for the substantiation of Congress members' travel expenses. The regulations are currently out of date because the authorizing legislation was subsequently repealed.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105513-97

Drafting attorney: Edwin B. Cleverdon (202) 622-4920

Reviewing attorney: Robert A. Berkovsky (202) 622-4920

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Phone: 202 622-4920

RIN: 1545-AV55

### 2569. FOREIGN TAX CREDIT ANTI-ABUSE REGULATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 901; 26 USC 904; 26 USC 864; 26 USC 7701

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will disallow foreign tax credits with respect to foreign taxes generated in certain arrangements from which the reasonably expected economic profits are insubstantial compared to expected foreign tax credits.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-103445-98

Drafting attorney: Bethany Ingwalson (202) 622-3850

Reviewing attorney: Barbara A. Felker (202) 622-3850

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**Agency Contact:** Bethany Ingwalson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

RIN: 1545-AV97

### 2570. TRANSPORTATION OF PERSONS AND PROPERTY BY AIR

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 4261; 26 USC 4271; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations provide guidance concerning the excise taxes imposed on the amounts paid for the transportation of persons and property by air.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

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## Proposed Rule Stage

**Government Levels Affected:** None**Additional Information:** REG-106167-98

Drafting attorney: Patrick S. Kirwan (202) 622-3130

Reviewing attorneys: Frank K. Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

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**Agency Contact:** Patrick S. Kirwan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130**RIN:** 1545-AW19**2571. CONTINGENT DEBT INSTRUMENT****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 988**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation will prescribe the tax treatment of section 988 debt instruments that provide for contingent payments.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-106486-98

Drafting attorney: Milton M. Cahn (202) 622-3870

Reviewing attorney: Jeffrey Dorfman (202) 622-3870

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**Agency Contact:** Milton M. Cahn, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870**RIN:** 1545-AW33**2572. CAPITAL GAIN GUIDANCE RELATING TO CRTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1; 26 USC 664**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation provides capital gain guidance relating to charitable remainder trusts in light of the changes made to section 1(h) of the Internal Revenue Code by the Taxpayer Relief Act of 1997.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-110896-98

Drafting attorney: William C. Bomar (202) 622-7830

Reviewing attorney: Katherine A. Melody (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

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**Agency Contact:** William C. Bomar, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830**RIN:** 1545-AW35**2573. CONSTRUCTIVE SALES OF APPRECIATED FINANCIAL POSITIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1259**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations relate to principles for determining if a taxpayer has constructively sold an appreciated financial position.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None**Additional Information:** REG-102191-98

Drafting attorney: Kathleen Sleeth (202) 622-3920

Reviewing attorney: Elizabeth Handler (202) 622-3920

Treasury attorney: Michael Novey (202) 622-1339

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**Agency Contact:** Kathleen Sleeth, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3920**RIN:** 1545-AW97**2574. RULES FOR SOURCING CERTAIN TRANSPORTATION INCOME, SPACE, OR OCEAN ACTIVITY INCOME, AND RELATED FOREIGN BASE COMPANY SHIPPING INCOME****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation provides guidance to shipping and aircraft companies for application of the source rules for certain income under sections 863(c) and 863(d), and for related space or ocean activity income that is also foreign-based company shipping income under section 954(f).**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-115557-98

Drafting attorney: Patricia A. Bray (202) 622-3880

Reviewing attorney: Elizabeth Karzon (202) 622-3880

Treasury attorney: Carl Dubert (202) 622-0222

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**Agency Contact:** Patricia A. Bray, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

## TREAS—IRS

## Proposed Rule Stage

Phone: 202 622-3880

RIN: 1545–AX02

**2575. STRADDLES—ONE SIDE LARGER THAN THE OTHER****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1092**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** A “straddle” occurs, for purposes of section 1092 of the Internal Revenue Code, when a taxpayer enters into two separate positions in financial instruments that “offset” each other. Positions offset each other when, taken together, they substantially diminish the taxpayer’s risk of loss. A taxpayer in a “straddle” is subject to various limitations on recognition of loss on the positions until both positions are liquidated. These regulations deal with the situation in which one position is larger than the other (that is, the diminution of the risk of loss for one position is only partial).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-107335-99

Drafting attorney: Charles W. Culmer (202) 622-3960

Reviewing attorney: Robert Williams (202) 622-3960

Treasury attorney: Viva Hammer (202) 622-0869

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RIN: 1545–AX16

**2576. DEFINITION OF ACCOUNTING METHOD****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 446**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulation will clarify the definition of a change in the method of accounting.

**Timetable:**

Action	Date
NPRM	03/00/04

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-105228-99

Drafting attorney: Jeffery G. Mitchell (202) 622-4970

Reviewing attorney: Thomas Luxner (202) 622-4970

Treasury attorney: Sharon Kay (202) 622-0865

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Phone: 202 622-4970

RIN: 1545–AX21

**2577. CASH OR DEFERRED ARRANGEMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation updates and revises regulations on qualified cash or deferred arrangements, matching contributions, and employee contributions.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-108639-99

Drafting attorney: R. Lisa Mojiri-Azad (202) 622-6080

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: W. Thomas Reeder (202) 622-1341

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**Agency Contact:** R. Lisa Mojiri-Azad, Senior Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

RIN: 1545–AX26

**2578. CASH OR DEFERRED ARRANGEMENTS (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The proposed regulations update and revise regulations for cash or deferred arrangements.

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-108639-99

Drafting attorney: R. Lisa Mojiri-Azad (202) 622-6080

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: W. Thomas Reeder (202) 622-1341

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Phone: 202 622-6080

RIN: 1545–AX43

**2579. AWARDING OF COSTS AND CERTAIN FEES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 7430**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The proposed amendments to the Treasury Regulations incorporate the 1997 and 1998 amendments to 26 U.S.C. 7430, relating to the awarding of attorney’s fees in administrative and court proceedings. The amendments to 26 U.S.C. 7430 were enacted under the

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Taxpayer Relief Act of 1997 and the IRS Restructuring and Reform Act of 1998.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-111833-99

Drafting attorney: Tami C. Belouin (202) 622-7940

Reviewing attorneys: Susan T. Mosley (202) 622-7940 and Henry S. Schneiderman (202) 622-7820

Treasury attorney: Julian Kim (202) 622-1981

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**Agency Contact:** Tami C. Belouin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545–AX46**2580. HIGHLY COMPENSATED EMPLOYEE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 414**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations provide the definition of highly compensated employee.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-111277-99

Drafting attorney: R. Lisa Mojiri-Azad (202) 622-6080

Reviewing attorney: Marjorie Hoffman (202) 622-6030

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**RIN:** 1545–AX48**2581. MODIFICATION TO SECTION 367(A) STOCK TRANSFER REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 367**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None

**Abstract:** This regulation will modify section 367(a), stock transfer regulations, to address abuses under check-the-box and through the use of convertible stock.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-116053-99

Drafting attorney: Robert W. Lorence (202) 622-3860

Reviewing attorney: Charles Besecky (202) 622-3860

Treasury attorney: Michael Caballero (202) 622-0851

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**RIN:** 1545–AX77**2582. CLARIFICATION OF FOREIGN-BASED COMPANY SALES INCOME RULES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 954**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation clarifies when a controlled foreign corporation cannot exclude sales income from foreign-based company sales income under the manufacturing exception by reason of

activities of a contract manufacturer. Likewise, the branch rule under IRC section 954(d)(2) does not apply to a contract manufacturer.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-106356-00

Drafting attorney: Valerie A. Mark-Lippe (202) 622-3840

Reviewing attorney: Phyllis E. Marcus (202) 622-3840

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**Agency Contact:** Valerie A. Mark-Lippe, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545–AX91**2583. ASSUMPTION OF PARTNERSHIP LIABILITIES****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 752**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed regulation prevents the acceleration or duplication of losses through the assumption of liabilities in transactions involving partnerships.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Additional Information:** REG-106736-00

Drafting attorney: Horace Howells (202) 622-3050

Reviewing attorney: Dianna Miosi (202) 622-3050

## TREAS—IRS

## Proposed Rule Stage

Treasury attorney: Deborah Harrington  
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**Related RIN:** Related To 1545-BB83

**RIN:** 1545-AX93

#### 2584. LIKE-KIND EXCHANGES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 168; 26 USC  
7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations relate to like-kind exchanges under section 168 of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-106590-00

Drafting attorney: Alan H. Cooper (202) 622-3110

Reviewing attorney: Charles Ramsey (202) 622-3110

Treasury attorney: George Manousos (202) 622-1335

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**RIN:** 1545-AX95

#### 2585. GUIDANCE ON CHANGES TO THE LAWS FOR CORPORATE ESTIMATED TAXES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
6655

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** The proposed regulations provide guidance on changes to the law for corporate estimated taxes.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-107722-00

Drafting attorney: Robert A. Desilets, Jr. (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

Treasury attorney: George Manousos (202) 622-1335

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**Agency Contact:** Robert A. Desilets Jr.,  
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**RIN:** 1545-AY22

#### 2586. WITHHOLDING TAX ON FOREIGN PARTNERS' SHARE OF EFFECTIVELY CONNECTED INCOME

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC  
1446

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance for partnership withholding on partners' allocable share of partnership's effectively connected income.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-108524-00

Drafting attorney: David J. Sotos (202) 622-3860

Reviewing attorney: Michael H. Frankel (202) 622-3860

Treasury attorney: Michael Caballero  
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**RIN:** 1545-AY28

#### 2587. TAXABLE YEARS OF CONTROLLED FOREIGN CORPORATIONS (CFCS) AND FOREIGN PERSONAL HOLDING COMPANIES (FPHCS)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
898

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide definitions and rules for determining the required year for CFCs and FPHCs.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-108523-00

Drafting attorney: Jeffrey L. Vinnik (202) 622-3840

Reviewing attorney: Phyllis Marcus (202) 622-3840

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**RIN:** 1545-AY30

#### 2588. ALLOCATION OF INCOME AND DEDUCTIONS FROM INTANGIBLES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
482

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

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**Abstract:** The regulation will address the allocation of income and deductions from intangible property.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-115037-00

Drafting attorney: Anne P. Shelburne (202) 874-1490

Reviewing attorney: John M. Breen(202) 874-1490

Treasury attorney: Rocco Femia (202) 622-1755

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Phone: 202 874-1490

**RIN:** 1545–AY38

**2589. DOLLAR-VALUE LIFO**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 472; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance under the dollar-value last-in, first-out (LIFO) inventory method for taxpayers that define LIFO items based on components of cost.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-107580-00

Drafting attorney: Scott H. Rabinowitz (202) 622-4970

Reviewing attorney: Jeffery G. Mitchell (202) 622-4970

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Phone: 202 622-4970

**RIN:** 1545–AY39

**2590. PREVIOUSLY TAXED EARNINGS AND PROFITS UNDER SUBPART F**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 959

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will address previously taxed earnings and profits under subpart F.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-121509-00

Drafting attorney: Jonathan A. Sambur (202) 622-3840

Reviewing attorney: Kelly Kogan (202) 622-3840

CC:INTL

**Agency Contact:** Jonathan A. Sambur, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington  
Phone: 202 622-3840

**RIN:** 1545–AY54

**2591. NORMAL RETIREMENT AGE FOR PENSION PLANS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 411; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide guidance regarding the determination of normal retirement age in a pension plan, including a money purchase pension plan, target benefit plan and defined benefit plan. Section 411(a)(8) defines the term normal retirement age as the earlier of: 1) the time a participant attains normal retirement age under the plan; or 2) the later of the time a plan participant attains age 65, or the 5th anniversary of the time a plan participant commenced participation in the plan. These regulations also would provide section 411(d)(6) relief for amendments that modify a pension plan's normal retirement age to conform with the proposed regulation.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-125499-00

Drafting attorney: Janet A. Laufer (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Janet A. Laufer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090  
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**RIN:** 1545–AY61

**2592. NORMALIZATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 167; 26 USC 168; 26 USC 46

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations relate to the sale or deregulation of generation assets.

**Timetable:**

Action	Date
NPRM	12/00/03

## TREAS—IRS

## Proposed Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-104385-01

Drafting attorney: David Selig (202) 622-3040

Reviewing attorney: Peter Friedman (202) 622-3110

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** David Selig, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3040

**RIN:** 1545–AY75**2593. DISCLOSURE OF RETURNS AND RETURN INFORMATION IN JUDICIAL AND ADMINISTRATIVE TAX PROCEEDINGS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 6103**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** This proposed rule relates to the disclosure of returns and return information in judicial and administrative tax proceedings pursuant to 26 U.S.C. 6103(h)(4).**Timetable:**

Action	Date
NPRM	12/00/03

NPRM 12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-120297-01

Drafting attorney: David L. Fish (202) 622-4590

Reviewing attorney: Stuart Murray (202) 622-4590

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** David L. Fish, Senior Technician Reviewer, Department of the Treasury, Internal Revenue Service,1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4590**RIN:** 1545–AY89**2594. PAYMENTS FOR INTEREST IN PARTNERSHIP****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 736**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The proposed regulations relate to section 736(b)(3)(B), regarding payments for interest in a partnership if the retiring or deceased partner was a general partner in the partnership.**Timetable:**

Action	Date
NPRM	12/00/03

NPRM 12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-123382-01

Drafting attorney: James M. Gergurich (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3070

CC:PSI

**Agency Contact:** James M. Gergurich, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3070

**RIN:** 1545–AY90**2595. ALLOCATION AND APPORTIONMENT OF INTEREST EXPENSE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 864**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This proposed regulation provides guidance with respect to methods of apportioning interest expense under section 864(e) of the Code.**Timetable:**

Action	Date
NPRM	06/00/03

NPRM 06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-129447-01

Drafting attorney: Melissa D. Arndt (202) 622-3850

Reviewing attorney: Anne Devereaux (202) 622-3850

Treasury attorneys: Michael Caballero (202) 622-0851

John Harrington (202) 622-0589

CC:INTL

**Agency Contact:** Melissa D. Arndt, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3850

**Related RIN:** Related To 1545-BA92**RIN:** 1545–BA02**2596. TRANSACTIONS INVOLVING OBLIGATIONS OF CONSOLIDATED GROUP MEMBERS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The proposed regulations are in regard to intercompany obligations.**Timetable:**

Action	Date
NPRM	12/00/03

NPRM 12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-107592-00

Drafting attorney: Frances Kelly (202) 622-7770

Reviewing attorney: Michael J. Wilder (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

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## TREAS—IRS

## Proposed Rule Stage

Phone: 202 622-7770

**Related RIN:** Related To 1545-AW30

**RIN:** 1545-BA11

### 2597. DEDUCTIBILITY OF EMPLOYER CONTRIBUTIONS FOR DEFERRED COMPENSATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will update and clarify the general rules for deductibility of employer contributions to qualified retirement plans and other deferred compensation arrangements.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-139449-01

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Mark Schwimmer (202) 622-6090

Treasury attorney: Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** Linda S.F. Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BA13

### 2598. CONTINUATION OF A CONSOLIDATED GROUP

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation addresses issues related to the continuation of consolidated groups in regulation's section 1.1502-75.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-126022-01

Drafting attorney: Christopher M. Bass (202) 622-7770

Reviewing attorney: Edward Cohen (202) 622-7770

CC:CORP

**Agency Contact:** Christopher M. Bass, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**RIN:** 1545-BA14

### 2599. PROPERTY EXEMPT FROM LEVY

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6334

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulation will describe the judicial procedures for approval of a principal residence seizure, pursuant to I.R.C. sections 6334(a)(13)(B)(i) and 6334(e)(1).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-140378-01

Drafting attorney: Robin M. Ferguson (202) 622-3610

Reviewing attorney: Alan Levine (202) 622-3610

CC:PA:CBS

**Agency Contact:** Robin M. Ferguson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3610

**RIN:** 1545-BA22

### 2600. GASOLINE TAX CLAIMS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6416

**CFR Citation:** 26 CFR 48

**Legal Deadline:** None

**Abstract:** The proposed regulation will provide guidance regarding claims for credit or refund of the gasoline tax under section 6416(b)(2) of the Internal Revenue Code.

**Timetable:**

Action	Date
ANPRM	10/23/01 66 FR 53564
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses, Governmental Jurisdictions

**Government Levels Affected:** State, Local, Tribal

**Additional Information:** REG-143219-01

Drafting attorney: Susan Athy (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

CC:PSI

**Agency Contact:** Susan Athy, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**RIN:** 1545-BA27

### 2601. SUSPENSION OF STATUTES OF LIMITATION IN JOHN DOE AND THIRD-PARTY SUMMONS DISPUTES, AND EXPANSION OF TAXPAYERS' RIGHTS TO RECEIVE NOTICE AND SEEK JUDICIAL REVIEW OF THIRD PARTY SUMMONSES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The proposed regulation provides guidance regarding modified rules for serving summonses on third-party recordkeepers, the broadened range of summonses subject to the notice requirements, and the suspension of limitations periods when court actions are brought or when a summoned third party fails to fully respond to a summons. This proposed regulation incorporates the changes enacted in the Internal Revenue Service Restructuring and Reform Act of 1998,

## TREAS—IRS

## Proposed Rule Stage

Omnibus Budget Reconciliation Act of 1990, Technical and Miscellaneous Revenue Act of 1988 and Tax Reform Act of 1986. This regulation is a continuation of the regulation project previously numbered at REG-208225-88.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-153037-01

Drafting attorney: Elizabeth D. Rawlins (202) 622-3630

Reviewing attorney: Robert A. Miller (202) 622-3630

CC:PA:CBS

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**RIN:** 1545-BA31

**2602. AMENDMENTS TO RULES FOR ALLOCATION OF BASIS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 755

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation amends the regulations under section 755 (section 1.755-1) in order to better coordinate with recent revisions to section 1.755-2 relating to rules for allocation of basis.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-155345-01

Drafting attorney: Craig A. Gerson (202) 622-3050

Reviewing attorney: Matthew Lay (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Craig A. Gerson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**Related RIN:** Related To 1545-AX18

**RIN:** 1545-BA32

**2603. EARNED INCOME CREDIT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations relate to the earned income credit. The final regulations reflect changes in the law since the existing regulations were published in the Federal Register on March 13, 1980. Due to subsequent statutory changes in the applicable tax law, the regulations were not entirely in conformity with current law. Accordingly, sections of the final regulations are removed and amended. These regulations apply to individual taxpayers claiming the earned income credit.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-135061-01

Drafting attorney: Shoshanna Tanner (202) 622-6080

Reviewing attorney: Karin Loverud (202) 622-6080

CC:TEGE

**Agency Contact:** Shoshanna Tanner, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

**RIN:** 1545-BA34

**2604. INCOME FROM SOURCES WITHIN SPECIFIED POSSESSION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 931; 26 USC 911

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will remove the reference to section 911 in the section 931 regulations and update the definition of a possession under those regulations.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-159068-01

Drafting attorney: Jonathan A. Sambur (202) 622-3840

Reviewing attorney: Phyllis E. Marcus (202) 622-3840

Treasury attorney: Michael Mundaca (202) 622-1752

CC:INTL

**Agency Contact:** Jonathan A. Sambur, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington  
Phone: 202 622-3840

**RIN:** 1545-BA37

**2605. TREATMENT OF CERTAIN OBLIGATION-SHIFTING TRANSACTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 864(c)(6); 26 USC 7701(e)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation proposes a rule that applies to a single taxpayer engaging in certain tax-motivated obligation-shifting transfers to prevent tax avoidance. Similar multi-party tax avoidance techniques are addressed by Property Treasury Regulation section 1.7701(i)-2 (1996). This regulation also would modify a rule in the proposed regulation dealing with certain related-party transfers that might, in its present form, present opportunities for tax avoidance.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

## TREAS—IRS

## Proposed Rule Stage

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-160799-01

Drafting attorney: Jeffrey L. Vinnik  
(202) 622-3840

Reviewing attorney: David N. Bowen  
(202) 622-3800

Treasury attorney: Rocco Femia (202)  
622-1755

CC:INTL

**Agency Contact:** Jeffrey L. Vinnik,  
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1111 Constitution Avenue NW,  
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Phone: 202 622-3840

**RIN:** 1545-BA41

#### 2606. MULTI-FAMILY HOUSING BONDS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations relate to various issues with respect to multi-family housing bonds.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** State,  
Local

**Additional Information:** REG-163765-01

Drafting attorney: Rose M. Weber (202)  
622-3980

Reviewing attorney: Bruce M. Serchuk  
(202) 622-3980

Treasury attorney: Stephen J. Watson  
(202) 6622-1322

CC:TEGE

**Agency Contact:** Rose M. Weber,  
Attorney-Advisor, Department of the  
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Phone: 202 622-3980  
Fax: 202 622-4437

**RIN:** 1545-BA45

#### 2607. USER FEES FOR OFFERS TO COMPROMISE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 31 USC  
9701

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations relating to user fees would be amended to provide for the imposition of a user fee for processing of offers to compromise. The charging of user fees implements the Independent Offices Appropriations Act, 31 U.S.C. 9701.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-103777-02

Drafting attorney: Gene W. Beard (202)  
622-3620

Reviewing attorney: Frederick W.  
Schindler (202) 622-3620

Treasury attorney: Jodi Cohen (202)  
622-0160

CC:PA:CBS

**Agency Contact:** Gene W. Beard,  
Attorney-Advisor, Department of the  
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1111 Constitution Avenue NW,  
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**RIN:** 1545-BA54

#### 2608. MODIFICATION OF CHECK THE BOX REGULATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1; 26 CFR 301

**Legal Deadline:** None

**Abstract:** The Modification of Check the Box regulation will add a new section to the 301.7701-2 regulations to provide that in certain circumstances, namely in State law mergers and conversions, a surviving disregarded entity will be regarded for purposes of assessment and collection of prior year tax liabilities of predecessor entities. Thus, following a transaction in which a regarded entity is merged or converted into a disregarded entity, the

Commissioner will be able to exercise collection and assessment authority against the disregarded entity for any liabilities stemming from tax periods of the regarded entity prior to the date of the transaction.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-106681-02

Drafting attorney: James M. Gergurich  
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Reviewing attorney: Jeanne Sullivan  
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Treasury attorney: Stephanie Robinson  
(202) 622-9858

CC:PSI

**Agency Contact:** James M. Gergurich,  
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1111 Constitution Avenue NW,  
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**RIN:** 1545-BA59

#### 2609. ABATEMENT OF INTEREST ON LARGE ERRONEOUS REFUNDS

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 6404(e)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed regulation will provide rules that address whether the Internal Revenue Service may abate interest on an erroneous refund exceeding \$50,000 pursuant to I.R.C. section 6404(e) (26 U.S.C. 6404(e)).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:**  
Undetermined

## TREAS—IRS

## Proposed Rule Stage

**Federalism:** Undetermined

**Additional Information:** REG-167500-01

Drafting attorney: David A. Abernathy  
(202) 622-7940

Reviewing attorney: Richard Goldman  
(202) 622-7940

CC:PA:APJP

**Agency Contact:** David A. Abernathy,  
Attorney-Advisor, Department of the  
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1111 Constitution Avenue NW,  
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Phone: 202 622-7940

**RIN:** 1545—BA61

### 2610. ALLOCATION AND APPORTIONMENT RULES: GUIDANCE ON SELECTED ISSUES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
863

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides  
guidance with respect to the allocation  
and apportionment under section 861  
of selected deductions; e.g., charitable  
contributions and research and  
experimentation expenses.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-128240-01

Drafting attorney: Teresa B. Hughes  
(202) 622-3850

Reviewing attorney: Anne Devereaux  
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Treasury attorney: John Harrington  
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CC:INTL

**Agency Contact:** Teresa B. Hughes,  
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**RIN:** 1545—BA64

### 2611. PROVISIONS REGARDING CROSS-BORDER TRANSACTIONS

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC  
368(a)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed regulation will  
make conforming changes to account  
for cross-border section 368(a)(1)(A)  
mergers.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-125628-01

Drafting attorney: Robert W. Lorence  
(202) 622-3860

Reviewing attorney: Charles Besecky  
(202) 622-3860

CC:INTL

**Agency Contact:** Robert W. Lorence,  
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Fax: 202 622-4476

**RIN:** 1545—BA65

### 2612. INTEREST OTHER THAN THAT OF A CREDITOR

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 465; 26 USC  
7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides  
guidance under section 465(b)(3) of the  
Internal Revenue Code. The regulations  
state when 465(b)(3) will apply to  
activities and clarify who has an  
interest other than that of a creditor.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:**  
Undetermined

**Additional Information:** REG-209377-89

Drafting attorney: Tara P. Volungis  
(202) 622-3080

Reviewing attorney: Christine Ellison  
(202) 622-3070

Treasury attorney: John Parcell (202)  
622-2578

CC:PSI

**Agency Contact:** Tara P. Volungis,  
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1111 Constitution Avenue NW,  
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Phone: 202 622-3080

**RIN:** 1545—BA69

### 2613. CIRCULAR 230—TAX SHELTER AMENDMENTS

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 31 USC 330

**CFR Citation:** 31 CFR 10

**Legal Deadline:** None

**Abstract:** These regulations propose  
amendments to the standards for tax  
opinions related to tax shelters.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-122379-02

Drafting attorney: Brinton T. Warren  
(202) 622-4940

Reviewing attorney: Richard S.  
Goldstein (202) 622-7820

Treasury attorney: Julian Kim (202)  
622-1981

CC:PA:APJP

**Agency Contact:** Brinton T. Warren,  
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Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545—BA70

## TREAS—IRS

## Proposed Rule Stage

**2614. CIRCULAR 230—PHASE 2 NON-SHELTER REVISIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 31 USC 330**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations propose amendments to the rules governing practice before the Internal Revenue Service.**Timetable:**

Action	Date
ANPRM	12/19/02 67 FR 77724
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-122380-02

Drafting attorney: Brinton T. Warren (202) 622-4940

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**Agency Contact:** Brinton T. Warren, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940**RIN:** 1545-BA72**2615. STATUTORY OPTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 421**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides rules for the creation, and or maintenance, of a statutory stock option plan. It includes rules on adopting a plan, plan requirements, permissible provisions of a plan, and disqualification of a statutory option.**Timetable:**

Action	Date
NPRM	06/00/03
Comment Period End	09/00/03
Final Action	12/00/04

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-122917-02

Drafting attorney: Erinn M. Madden (202) 622-6030

Reviewing attorney: Robert Misner (202) 622-6030

Treasury attorney: Elizabeth Drigotas (202) 622-1332

CC:TEGE

**Agency Contact:** Erinn M. Madden, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6030**RIN:** 1545-BA75**2616. DISCLOSURE OF RELATIVE VALUE OF DISTRIBUTION FORMS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805(b); 26 USC 417(a)(3)(A)**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will specify the disclosures that must be made to participants in qualified pension plans to describe the relative value of the available optional forms of benefit.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None**Additional Information:** REG-124667-02

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

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**Agency Contact:** Linda S.F. Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090**RIN:** 1545-BA78**2617. PARTNERSHIP TRANSACTIONS INVOLVING LONG-TERM CONTRACTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 460**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** Currently, regulations under section 460 divide the rules regarding a mid-contract change in taxpayers engaged in completing long-term contracts into two categories: constructive completion transactions and step-in-the-shoes transactions. The regulations provide that a transfer described in section 721(a) of a long-term contract to a partnership and a transfer of a partnership interest are step-in-the-shoes transactions. These regulations will explain the tax consequences of contributions of long-term contracts to, transfers of interests in, and distributions from, partnerships holding long-term contracts.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-128203-02

Drafting attorney: Richard T. Probst (202) 622-3060

Reviewing attorney: Matthew Lay (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Richard T. Probst, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060**RIN:** 1545-BA81**2618. ALLOCATION OF NEW MARKETS TAX CREDIT****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 45D; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

## TREAS—IRS

## Proposed Rule Stage

**Abstract:** The regulations will address how the section 45D new markets tax credit should be allocated to the partners of a partnership under section 704(b) of the Internal Revenue Code and will address related partnership issues.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-131999-02

Drafting attorney: Michael Goldman (202) 622-3080

Reviewing attorney: James Quinn (202) 622-3070

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**Agency Contact:** Michael Goldman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

**RIN:** 1545-BA84

**2619. CARRYOVER AND STACKING RULE AMENDMENT**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 42

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The low-income housing tax credit rules that concern carryover allocations under regulations section 1.42-6 and stacking rules under regulations section 1.42-14 are amended to reflect changes under the Community Renewal Tax Relief Act of 2000.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-131997-02

Drafting attorney: Christopher J. Wilson (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Steve Watson (202) 622-1322

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**Agency Contact:** Christopher J. Wilson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-BA85

**2620. AGGREGATE COMPUTATION AND ALLOCATION OF RESEARCH CREDIT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 41

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance on the proper method of computing the research credit for a controlled group. In addition, this regulation will provide guidance on the allocation of the research credit among members of a controlled group.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-133791-01

Drafting attorney: Jolene J. Shiraishi (202) 622-3120

Reviewing attorney: Brenda M. Stewart (202) 622-3120

Treasury attorney: Sharon Kay (202) 622-0865

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**Agency Contact:** Jolene J. Shiraishi, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20044  
Phone: 202 622-3120

**Related RIN:** Related To 1545-AX05

**RIN:** 1545-BA88

**2621. TRANSFER OF NOTES OR STOCK TO PROVIDE FOR SATISFACTION OF CONTESTED LIABILITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations would amend regulations section 1.461-2 that allows a taxpayer to deduct in the taxable year of transfer the amount of money on other property transferred to satisfy an asserted liability that the taxpayer contests. The amendment to regulations section 1.461-2(c)(1) would provide that transfers of a taxpayer's own note or stock of the note or stock of a related person are not transfers to provide for the satisfaction of an asserted liability, except where the transfer has been made to the person who is asserting the liability. The regulations would also amend regulations section 1.461-2 to provide that a transfer of money or other property to a trust, escrow account, or a court to provide for the satisfaction of a contested workers' compensation or tort liability does not satisfy economic performance, unless the transfer is made to a qualified settlement fund.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-136890-02

Drafting attorney: Norma C. Rotunno (202) 622-7900

Reviewing attorney: Thomas D. Moffitt (202) 622-7900

Treasury attorney: Sharon A. Kay (202) 622-0865

CC:ITA

**Agency Contact:** Norma C. Rotunno, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7900

**Related RIN:** Related To 1545-BA91

**RIN:** 1545-BA90

## TREAS—IRS

## Proposed Rule Stage

**2622. TRANSFER OF NOTES OR STOCK TO PROVIDE FOR SATISFACTION OF CONTESTED LIABILITIES (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The temporary regulations would amend regulations section 1.461-2 that allows a taxpayer to deduct in the taxable year of transfer the amount of money or other property transferred to satisfy an asserted liability that the taxpayer contests. The amendment to regulations section 1.461-2(c)(1) would provide that transfers of a taxpayer's own note or stock or the note or stock of a related person are not transfers to provide for the satisfaction of an asserted liability, except where the transfer has been made to the person who is asserting the liability. The regulations also amend regulations section 1.461-2 to provide that a transfer of money or other property to a trust, an escrow account, or a court to provide for the satisfaction of a contested workers' compensation or tort liability does not satisfy economic performance, unless the transfer is made to a qualified settlement fund.

**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-136890-02

Drafting attorney: Norma C. Rotunno (202) 622-7900

Reviewing attorney: Thomas D. Moffitt (202) 622-7900

Treasury attorney: Sharon A. Kay (202) 622-0865

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Phone: 202 622-7900

**Related RIN:** Related To 1545-BA90**RIN:** 1545-BA91**2623. GENERATION-SKIPPING TRANSFER TAX RELIEF PROVISIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 2642**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed regulation issue regulations under section 2642(g) relating to relief provisions.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-136761-02

Drafting attorney: Lian A. Mito (202) 622-7830

Reviewing attorney: James F. Hogan (202) 622-7830

Treasury attorney: Catherine Hughes (202) 622-9407

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**Agency Contact:** Lian A. Mito, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545-BA94**2624. GUIDANCE TO FACILITATE ELECTRONIC TAX ADMINISTRATION****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will facilitate electronic tax administration.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-137243-02

Drafting attorney: Brinton T. Warren (202) 622-4940

Reviewing attorney: Judith Wall (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

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**Agency Contact:** Brinton T. Warren, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545-BA96**2625. EMPLOYMENT TAXES—FAILURE-TO-DEPOSIT PENALTY****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6656; 26 USC 6302**CFR Citation:** 26 CFR 31**Legal Deadline:** None

**Abstract:** Reconsideration of Rev. Rul. 75-191 (situations 1 and 2) regarding the application of the section 6656 failure-to-deposit penalty where employment taxes should have been withheld but were not. Ruling provides employer will not be subject to the penalty if employer did not actually withhold the taxes. In contrast, Treas. Reg. section 1.1461-1(a)(2) provides that penalty will be due for taxes under chapter 3 of the Code if the withholding agent should have withheld the tax but in fact did not withhold as required. Regulation will conform treatment of employment taxes to chapter 3 taxes.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-136778-02

Drafting attorney: Charles A. Hall (202) 622-4940

Reviewing attorney: Judith Wall (202) 622-4940

Treasury attorney: Julian Kim (202) 622-1981

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**Agency Contact:** Charles A. Hall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

## TREAS—IRS

## Proposed Rule Stage

Phone: 202 622-4940

RIN: 1545-BA97

**2626. TIMELY MAILING TREATMENT****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7502**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** This regulation will expressly provide that a registered or certified mail receipt is the sole means to prove delivery of a document to the Internal Revenue Service.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-138176-02

Drafting attorney: Charles A. Hall (202) 622-4940

Reviewing attorney: Ashton Trice (202) 622-4940

Treasury attorney: Eric San Juan (202) 622-0224

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**Agency Contact:** Charles A. Hall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-4940

RIN: 1545-BA99

**2627. HAND CARRY RETURNS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6091**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation revises obsolete references in the regulations under section 6091 of the Internal Revenue Code and provides guidance to taxpayers on the proper place to file a return by hand carrying the return to the Internal Revenue Service. Currently, the regulations provide that handcarried returns should be filed with the District Director.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-138173-02

Drafting attorney: Emly B. Berndt (202) 622-4940

Reviewing attorney: Ashton Trice (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

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**Agency Contact:** Emly B. Berndt, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-4940

**Related RIN:** Related To 1545-BB45

RIN: 1545-BB00

**2628. CHANGE IN USE; ACCELERATED COST RECOVERY SYSTEM****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 168**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed regulation provides guidance under section 168 regarding depreciation of property for which the use changes.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-138499-02

Drafting attorney: Kathleen Reed (202) 622-3110

Reviewing attorney: Charles Ramsey (202) 622-3110

Treasury attorney: George Manousos (202) 622-1335

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Phone: 202 622-3110

RIN: 1545-BB05

**2629. DEPRECIATION OF VANS AND LIGHT TRUCKS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 280F(d)(5)(B)**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation amends regulations section 1.280F-6T(c)(3) to provide that a truck or van that is a qualified nonpersonal use vehicle, as defined in section 274(i) and regulations section 1.274-5T(k), is not a "passenger automobile" for purposes of section 280F.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-138495-02

Drafting attorney: Bernard P. Harvey, III (202) 622-3110

Reviewing attorney: Charles B. Ramsey (202) 622-3110

Treasury attorney: John Parcell (202) 622-2578

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**Agency Contact:** Bernard P. Harvey III, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3110

RIN: 1545-BB06

**2630. DISCLOSURE OF REPORTABLE TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance under section 6011 regarding disclosure of reportable transactions.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None



## TREAS—IRS

## Proposed Rule Stage

**Additional Information:** REG-138618-02

Drafting attorney: Tara P. Volungis  
(202) 622-3080

Reviewing attorney: Christine Ellison  
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Treasury attorney: Julian Kim (202)  
622-1981

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Phone: 202 622-3080

**RIN:** 1545–BB07

**2631. REGISTRATION OF REPORTABLE TRANSACTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
6111

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulation provides guidance under section 6111 regarding the registration of reportable transactions.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-138621-02

Drafting attorney: Tara P. Volungis  
(202) 622-3080

Reviewing attorney: Christine Ellison  
(202) 622-3070

Treasury attorney: Julian Kim (202)  
622-1981

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**RIN:** 1545–BB08

**2632. LIST MAINTENANCE REQUIREMENT FOR REPORTABLE TRANSACTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
6112

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulation provides guidance under section 6112 regarding the maintenance and furnishing of lists of investors in reportable transactions.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-138624-02

Drafting attorney: Tara P. Volungis  
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Reviewing attorney: Christine Ellison  
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Treasury attorney: Julian Kim (202)  
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**RIN:** 1545–BB09

**2633. CAPITAL ACCOUNT BOOKUP**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 704; 26 USC  
7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed regulation will expand the circumstances under which a revaluation of partnership capital accounts is permitted.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-139796-02

Drafting attorney: Craig A. Gerson (202)  
622-3050

Reviewing attorney: David Haglund  
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Treasury attorney: Deborah Harrington  
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**RIN:** 1545–BB10

**2634. ALLOCATION OF FOREIGN TAX CREDITS AMONG PARTNERS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 704(b); 26  
USC 703(b)(3); 26 USC 702(a)(b)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will provide guidance on how foreign tax credits must be allocated to partners under section 704(b).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-139792-02

Drafting attorney: Beverly M. Katz (202)  
622-3050

Reviewing attorney: Daniel Carmody  
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Treasury attorney: Deborah Harrington  
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**RIN:** 1545–BB11

## TREAS—IRS

## Proposed Rule Stage

**2635. DISTRIBUTIONS OF PROPERTY****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1023; 26 USC 1024; 26 USC 2032**CFR Citation:** 26 CFR 301; 26 CFR 20**Legal Deadline:** None

**Abstract:** This regulation will clarify the language in regulations section 301.9100-6T to remove confusion as to whether relief for making an election under regulations section 2032 is available under sections 301.9100-1 and 301-9100-3.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-139845-02

Drafting attorney: Theresa M. Melchiorre (202) 622-7830

Reviewing attorney: Katherine A. Mellody (202) 622-7830

Treasury attorney: Catherine Hughes (202) 622-9407

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**Agency Contact:** Theresa M. Melchiorre, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545-BB12**2636. STRUCTURED SETTLEMENT FACTORING TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 115**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None

**Abstract:** These regulations relate to section 5891 of the Internal Revenue Code. Section 5891 imposes a 40 percent excise tax upon any person who acquires certain payment rights in a structured settlement factoring transaction. The regulations provide guidance necessary to comply with the reporting requirements of the excise tax.

**Timetable:**

Action	Date
NPRM	12/19/03 68 FR 7956
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-139768-02

Drafting attorney: Shareen S. Pflanz (202) 622-4920

Reviewing attorney: Charles Strickland (202) 622-4960

Treasury attorney: John Parcell (202) 622-2578

CC:ITA

**Agency Contact:** Shareen S. Pflanz, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4920

**Related RIN:** Related To 1545-BB24**RIN:** 1545-BB14**2637. TESTIMONY AUTHORIZATIONS AND REQUESTS FOR IRS INFORMATION**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 301**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** This proposed regulation will amend existing regulations on testimony authorizations and requests for IRS information.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-140930-02

Drafting attorney: J. Suzanne Sones (202) 622-4590

Reviewing attorney: David L. Fish (202) 622-4590

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**Agency Contact:** J. Suzanne Sones, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545-BB15**2638. INVESTIGATIVE DISCLOSURES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6103(k)(6)**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** This proposed regulation will amend existing regulations on disclosure of return information by Internal Revenue Officers and employees for investigative purposes.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Federal**Additional Information:** REG-140808-02

Drafting attorney: Helene R. Newsome (202) 622-4570

Reviewing attorney: Donald M. Squires (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

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**Agency Contact:** Helene R. Newsome, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4570

**Related RIN:** Related To 1545-BB17**RIN:** 1545-BB16**2639. INVESTIGATIVE DISCLOSURES (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6103(K)(6)**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** This regulation will amend existing regulations on disclosure of return information by Internal Revenue Officers and employees for investigative purposes.

## TREAS—IRS

## Proposed Rule Stage

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: Federal

Additional Information: REG-140808-02

Drafting attorney: Helene R. Newsome (202) 622-4570

Reviewing attorney: Donald M. Squires (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

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**Agency Contact:** Helene R. Newsome, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4570

Related RIN: Related To 1545-BB16

RIN: 1545-BB17

**2640. TOLL TELEPHONE SERVICE—DEFINITION**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 49

Legal Deadline: None

**Abstract:** This proposed regulation provides amendments to regulations relating to the definition of toll telephone service.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: Undetermined

Additional Information: REG-141097-02

Drafting attorney: Cynthia A. McGreevy (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130

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Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Cynthia A. McGreevy, Attorney-Advisor, Department of the

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RIN: 1545-BB18

**2641. DUPLICATE TAX BENEFITS**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This regulation prevents a consolidated group from deriving more than one tax benefit from a single economic loss. A loss on consolidated return, with respect to the sale of a subsidiary's stock, will be suspended to the extent of duplication (i.e. the group retains the loss asset) as long as the subsidiary remains a member of the group. In addition, there is a basis leveling rule, which prevents groups from loading onto a single block of subsidiary stock and selling only that stock, while maintaining that subsidiary as part of the group.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-131478-02

Drafting attorney: Aimee K. Meacham (202) 622-7530

Reviewing attorney: Sean Duffley (202) 622-7530

CC:CORP

**Agency Contact:** Aimee K. Meacham, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

RIN: 1545-BB25

**2642. COST SHARING**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 482

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** These proposed regulations will provide additional guidance on

cost sharing arrangements under section 482.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Federalism: Undetermined

Additional Information: REG-144615-02

Drafting attorneys: David Bowen (202) 622-3800 and Jeffrey Parry (202) 874-1490

Reviewing attorney: Elizabeth G. Beck (202) 874-1490

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** Jeffrey Parry, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 950 L'Enfant Plaza South SW, Washington, DC 20024  
Phone: 202 874-1490

RIN: 1545-BB26

**2643. APPLICATION OF SEPARATE LIMITATIONS TO DIVIDENDS FROM NONCONTROLLED SECTION 902 CORPORATION**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 904(d)(6)

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** The Taxpayer Relief Act of 1997 amended the foreign tax credit limitation rules under section 904(d) and extended lookthrough treatment to dividends paid by a 10/50 lookthrough corporation, effective for earnings and profits accumulated in tax years beginning after December 31, 2002. These regulations would provide guidance needed to comply with these changes, including transition rules for dividends paid by a 10/50 lookthrough corporation.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

Required: Undetermined

Small Entities Affected: No

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**Government Levels Affected:** None

**Additional Information:** REG-144784-02

Drafting attorney: Ginny Y. Chung (202) 622-3850

Reviewing attorney: Barbara Felker (202) 622-3850

CC:INTL

**Agency Contact:** Ginny Y. Chung, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

**RIN:** 1545-BB28

#### 2644. EXTENSION OF TIME FOR FILING RETURNS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6081

**CFR Citation:** 26 CFR 1; 26 CFR 25; 26 CFR 31; 26 CFR 53; 26 CFR 55; 26 CFR 156; ...

**Legal Deadline:** None

**Abstract:** This regulation will amend the section 6081 regulations to remove the signature requirement for Form 8809, Request for Extension of Time to File Information Returns. This will enable filers of information returns to request an extension of time to file using an online version of the Form 8809.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-107618-02

Drafting attorney: Charles A. Hall (202) 622-4940

Reviewing attorney: Judith Wall (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJP

**Agency Contact:** Charles A. Hall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BB29

#### 2645. TREATMENT OF SERVICES UNDER SECTION 482

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 482

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations would provide additional guidance under section 482 regarding the treatment of services.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** REG-146893-02

Drafting attorney: Douglas L. Giblen (202) 874-1490

Reviewing attorney: John M. Breen (202) 874-1490

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** Douglas L. Giblen, Senior Counsel, Department of the Treasury, Internal Revenue Service, 950 L'Enfant Plaza SW, Washington, DC 20024  
Phone: 202 874-1490

**RIN:** 1545-BB31

#### 2646. PREPARER PENALTIES—SIGNATURE REQUIREMENT AND COPIES OF RETURNS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6107; 26 USC 6061; 26 USC 6695; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations facilitate electronic filing by tax return preparers. The existing regulations, which contain references to manually signed returns, have resulted in uncertainty over whether preparers must produce manually signed, paper copies of returns for taxpayers and the preparer's records. The regulations clarify that preparers may avoid paper copies by retaining and furnishing to taxpayers copies of returns in electronic or digital format prescribed by the Commissioner.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-141659-02

Drafting attorney: Richard C. Grosenick (202) 622-7940

Reviewing attorney: Stuart Spielman (202) 622-7940

CC:PA:APJP

**Agency Contact:** Richard C. Grosenick, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7940

**Related RIN:** Related To 1545-AW52, Related To 1545-AW83, Related To 1545-AT23, Related To 1545-AL49

**RIN:** 1545-BB34

#### 2647. FRACTIONAL PARTS OF A DOLLAR

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7504

**CFR Citation:** 26 CFR 1; 26 CFR 301

**Legal Deadline:** None

**Abstract:** These proposed regulations will authorize the Internal Revenue Service (IRS) to round figures when transcribing amounts from forms into the IRS's databases.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** REG-147965-02

Drafting attorney: Marcy W. Mendelsohn (202) 622-4940

Reviewing attorney: Charles A. Hall (20) 622-4940

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJP

**Agency Contact:** Marcy W. Mendelsohn, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

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Phone: 202 622-4940

**Related RIN:** Related To 1545-BB42

**RIN:** 1545-BB35

**2648. • AMENDING THE LOW-INCOME HOUSING TAX CREDIT PROGRAM**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 42; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations are amendments to the general public use requirements in the low-income housing tax credit program.

**Timetable:**

Action	Date
NPRM	08/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-151145-02

Drafting attorney: Jack Malgeri (202) 622-3040

Reviewing attorney: Harold Burghart (202) 622-3040

CC:PSI

**Agency Contact:** Jack Malgeri, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-BB37

**2649. • INVESTMENT ADJUSTMENT RULES AND WAIVER OF LOSS CARRYOVERS FROM SRLY YEARS—AMENDED**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Regulation to allow a group to revoke an election under regulations section 1.1502-32(b)(4), where such election has become unnecessary as a result of regulations section 1.1502-20T(i)(2).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-152524-02

Drafting attorney: Jeffrey B. Fienberg (202) 622-7930

Reviewing attorney: Alison G. Burns (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Jeffrey B. Fienberg, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

**Related RIN:** Related To 1545-BB39

**RIN:** 1545-BB38

**2650. • INVESTMENT ADJUSTMENT RULES AND WAIVER OF LOSS CARRYOVERS FROM SRLY YEARS—AMENDED (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Regulation to allow a group to revoke an election under regulations section 1.1502-32(b)(4), where such election has become unnecessary as a result of regulations section 1.1502-20T(i)(2).

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-152524-02

Drafting attorney: Jeffrey B. Fienberg (202) 622-7930

Reviewing attorney: Alison G. Burns (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Jeffrey B. Fienberg, Attorney-Advisor, Department of the

Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

**Related RIN:** Related To 1545-BB38

**RIN:** 1545-BB39

**2651. • AMENDMENT TO SECTION 6724 RELATING TO FAILURE TO FILE CORRECT INFORMATION RETURNS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6724

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Amended regulations to provide an electronic alternative procedure as to when the filing of a correction is considered prompt for purposes of section 6724.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-141669-02

Drafting attorney: Robert A. Desilets (202) 622-4910

Reviewing attorney: John J. McGreevy (202) 622-4910

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJP

**Agency Contact:** Robert A. Desilets Jr., Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BB41

**2652. • HAND CARRYING RETURNS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6091

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This temporary regulation provides guidance to taxpayers under section 6091 of the Code regarding the place of filing for hand-carried returns. The regulations reflect the changes in

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organizational structure of the IRS that may affect where taxpayers may file hand-carried returns.

**Timetable:**

Action	Date
Temporary Regulations	06/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-138173-02

Drafting attorney: Emly B. Berndt (202) 622-4940

Reviewing attorney: Ashton P. Trice (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJP

**Agency Contact:** Emly B. Berndt, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**Related RIN:** Related To 1545-BB00**RIN:** 1545-BB45**2653. • ADMINISTRATIVE SIMPLIFICATION OF 481(A) ADJUSTMENT PERIODS IN VARIOUS REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The purpose of this project is to harmonize various regulatory provisions with current administrative guidance regarding recovery periods for section 481(a) adjustments. When the IRS changed the spread periods from four years (positive and negative) to four years (positive) and one year (negative), it discovered that there were some scattered regulatory provisions that contain different spread periods. Those regulatory provisions that are imposed as a matter of administrative discretion are under consideration to impose a standard spread period.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-142605-02

Drafting attorney: Christian T. Wood (202) 622-4930

Reviewing attorneys: Grant Anderson (202) 622-4930 and David Schneider (202) 622-4930

CC:ITA

**Agency Contact:** Christian T. Wood, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-4930

**RIN:** 1545-BB47**2654. • ELECTION OUT GENERATION-SKIPPING TRANSFER TAX (GST) DEEMED ALLOCATIONS****Priority:** Info./Admin./Other**Legal Authority:** 26 USC 2601; 26 USC 2632; 26 USC 2642**CFR Citation:** 26 CFR 601**Legal Deadline:** None

**Abstract:** Procedure for making the election to not have the deemed generation-skipping transfer tax allocation rules apply with respect to a GST Trust and for making the election to treat a trust as a GST Trust.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-153841-02

Drafting attorney: Scott S. Landes (202) 622-3090

Reviewing attorney: George Maenik (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Scott S. Landes, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3090

**RIN:** 1545-BB54**2655. • SUBSTITUTE DIVIDEND PAYMENTS IN SECURITIES LENDING AND SIMILAR TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 7701; 26 USC 863**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation relates to taxation of cross-border and foreign-to-foreign substitute dividend payments in securities lending and similar transactions.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** Federal**Additional Information:** REG-130751-01

Drafting attorney: Jeffrey L. Vinnik (202) 622-3840

Reviewing attorney: David Bowen (202) 622-3800

CC:INTL

**Agency Contact:** Jeffrey L. Vinnik, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3840

**RIN:** 1545-BB56**2656. • SPECIAL DEPRECIATION ALLOWANCE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance under sections 168 and 1400L(b) regarding special depreciations allowance.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-157164-02

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Drafting attorney: Douglas Kim (202) 622-3110

Reviewing attorney: Kathleen Reed (202) 622-3110

Treasury attorney: George Manuso (202) 622-1335

CC:PSI

**Agency Contact:** Douglas Kim, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3110

**RIN:** 1545-BB57

### 2657. • DEEMED IRAS IN QUALIFIED RETIREMENT PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 408

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) added new section 408(q) to the Internal Revenue Code. The new section allows eligible employer plans to permit employees to make voluntary contributions to a separate account or annuity established under the plan. The regulation will provide rules under which the accounts or annuities will be treated as Roth or traditional IRA's as applicable.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-157302-02

Drafting attorney: Linda C. Phillips (202) 622-6090

Reviewing attorney: Janet Laufer (202) 622-6090

Treasury attorney: Tom Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** Linda C. Phillips, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BB58

### 2658. • DEEMED IRAS IN QUALIFIED RETIREMENT PLANS (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 408(q)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) added new section 408(q) to the Internal Revenue Code. The new section allows eligible employer plans to permit employees to make voluntary contributions to a separate account or annuity established under the plan. The regulation will provide rules under which the accounts or annuities will be treated as Roth or traditional IRA's as applicable.

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-158210-02

Drafting attorney: Linda C. Phillips (202) 622-6090

Reviewing attorney: Janet Laufer (202) 622-6090

Treasury attorney: Tom Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** Linda C. Phillips, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BB59

### 2659. • LOSS LIMITATION RULES—G U REPEAL

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 337; 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1; 26 CFR 602

**Legal Deadline:** None

**Abstract:** The proposed regulations will provide guidance to corporations that are members of an affiliated group filing a consolidated income tax return and that own stock of a subsidiary member of the group. The proposed regulations will prevent rules relating

to certain adjustments to the basis of subsidiary member stock from having the effect of offsetting certain income and gain upon a disposition of the stock by the consolidated group.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-157711-02

Drafting attorney: Lola L. Johnson (202) 622-7550

Reviewing attorney: Charles M. Whedbee (202) 622-7550

CC:CORP

**Agency Contact:** Lola L. Johnson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

**RIN:** 1545-BB61

### 2660. • SAFE HARBOR LEASING SECOND INTEREST CAPITALIZATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 263A(f)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation clarifies treatment under Internal Revenue Code section 263A(f) of interest expense incurred in connection with safe harbor leases under former section 168(f)(8).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148399-02

Drafting attorney: Grant D. Anderson (202) 622-4970

Reviewing attorney: Donna Crisalli (202) 622-4800

CC:ITA

**Agency Contact:** Grant D. Anderson, Attorney-Advisor, Department of the

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**Related RIN:** Related To 1545-BB63

**RIN:** 1545-BB62

**2661. • SAFE HARBOR LEASING  
SECOND INTEREST CAPITALIZATION  
(TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 263A(f)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This temporary regulation clarifies treatment under Internal Revenue Code 263A(f) of interest expense incurred in connection with safe harbor leases under former section Internal Revenue Code section 168(f)(8).

**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148399-02

Drafting attorney: Grant D. Anderson (202) 622-4970

Reviewing attorney: Donna Crissali (202) 622-4800

CC:ITA

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Phone: 202 622-4970  
Fax: 202 622-6316

**Related RIN:** Related To 1545-BB62

**RIN:** 1545-BB63

**2662. • CONTRIBUTIONS TO  
PURCHASE CERTAIN RETIREMENT  
ANNUITIES OR CUSTODIAL  
ACCOUNTS UNDER SECTION 403(B)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 403(b); 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation would revise and update the current section 403(b) regulations to reflect the numerous statutory revisions to this section of the Internal Revenue Code since these regulations were first promulgated in 1964. Section 403(b) concerns the income tax exclusion for contributions to purchase certain retirement annuities or custodial accounts made for their employees by certain tax-exempt employers or State-sponsored educational institutions.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Governmental Jurisdictions

**Government Levels Affected:** State, Local, Tribal, Federal

**Additional Information:** REG-155608-02

Drafting attorney: John A. Tolleris (202) 622-6060

Reviewing attorney: Cheryl Press (202) 622-6060

CC:TEGE

**Agency Contact:** William Bortz, Attorney, Department of the Treasury, Internal Revenue Service, 111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BB64

**2663. • INSTALLMENT OBLIGATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 704(c)(1)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Treatment of installment obligations received in exchange for section 704(c) property.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-160330-02

Drafting attorney: Christopher L. Trump (202) 622-3080

Reviewing attorney: Jeanne Sullivan (202) 622-4117

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Christopher L. Trump, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

**RIN:** 1545-BB65

**2664. • USE OF GOVERNMENT  
DEPOSITARIES IN CONNECTION  
WITH TAX UNDER THE FEDERAL  
UNEMPLOYMENT TAX ACT**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 6302

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** Raising the amount of accumulated Federal Unemployment Tax Act taxes that a taxpayer may accumulate before being required to deposit.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-144908-02

Drafting attorney: Heather L. Dostaler (202) 622-8445

Reviewing attorney: Brinton T. Warren (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJP

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224



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Phone: 202 622-8445

**Related RIN:** Related To 1545-BB67

**RIN:** 1545-BB66

**2665. • USE OF GOVERNMENT DEPOSITARIES IN CONNECTION WITH TAX UNDER THE FEDERAL UNEMPLOYMENT TAX ACT (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6302

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** Raising the amount of accumulated Federal Unemployment Tax Act taxes that a taxpayer may accumulate before required to deposit.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-144908-02

Drafting attorney: Heather L. Dostaler (202) 622-8445

Reviewing attorney: Brinton T. Warren (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

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**Related RIN:** Related To 1545-BB66

**RIN:** 1545-BB67

**2666. • AVAILABILITY OF SECTION 338(H)(10) ELECTION IN MULTISTEP TRANSACTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 338; 26 USC 368

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation concerns whether a section 338(h)(10) election

should suspend application of the step transaction doctrine.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-143679-02

Drafting attorneys: Daniel F. Heins (202) 622-7930 and Mary E. Goode (202) 622-7930

Reviewing attorney: Reginald Mombrun (202) 622-7930

CC:CORP

**Agency Contact:** Daniel F. Heins, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

Mary E. Goode, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

**Related RIN:** Related To 1545-BB78

**RIN:** 1545-BB68

**2667. • STATUTORY OPTIONS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation concerning the transfer of stock pursuant to an incentive stock option and options granted under an employee stock option plan are effective for an option granted on or after January 1, 2004. Taxpayers may rely on these proposed regulations when they are published in the Federal Register.

**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-122917-02

Drafting attorney: Erinn M. Madden (202) 622-6030

Reviewing attorney: Robert Misner (202) 622-6030

Treasury attorney: Elizabeth Drigotas (202) 622-1332

CC:TEGE

**Agency Contact:** Erinn M. Madden, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6030

**Related RIN:** Related To 1545-BA75

**RIN:** 1545-BB69

**2668. • LIQUIDATION OF AN INTEREST**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 2704(b)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to additional rules for determining when applicable restrictions are disregarded in valuing the liquidation of an interest under section 2704 of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-163113-02

Drafting attorney: John MacEachen (202) 622-7701

Reviewing attorney: George Masnik (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** John MacEachen, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7701

**RIN:** 1545-BB71

## TREAS—IRS

## Proposed Rule Stage

**2669. • QUALIFIED INTERESTS****Priority:** Info./Admin./Other**Legal Authority:** 26 USC 2702**CFR Citation:** 26 CFR 25**Legal Deadline:** None**Abstract:** This regulation amends Examples 5 and 6 of regulation section 25.2702-3(e) to comply with the Tax Court's holding in *Walton v. Commissioner*, 115 TC. 589 (2000).**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-163679-02  
Drafting attorney: Scott S. Landes (202) 622-3090

Reviewing attorney: George Masnik (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Scott S. Landes, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3090**RIN:** 1545-BB72**2670. • REAL ESTATE MORTGAGE INVESTMENT CONDUITS; APPLICATION OF SECTION 446 WITH RESPECT TO INDUCEMENT FEES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 446; 26 USC 860**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The proposed regulations provide guidance on the proper timing of income from the receipt of fees to induce the purchase of noneconomic residual interests in Real Estate Mortgage Investment Conduits (REMICs). The proposed regulations require that these REMIC inducement fees may no longer be taken into account currently upon receipt. Instead, the proposed regulations require that these inducement fees be taken into account over a period that is related

to the period during which the applicable REMIC is expected to generate taxable income or net loss allocable to the holder of the noneconomic residual interest. The proposed regulations also provide several safe harbor methods of accounting for these inducement fees. The regulations will be issued at 26 CFR section 1.446-6, as applicable.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** REG-162625-02

Drafting attorney: John W. Rogers, III (202) 622-3950

Reviewing attorney: Santina M. Jannotta (202) 622-3930

CC:FIP

**Agency Contact:** John W. Rogers, III, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950**Related RIN:** Related To 1545-BB74**RIN:** 1545-BB73**2671. • REAL ESTATE MORTGAGE INVESTMENT CONDUITS; APPLICATION OF SECTION 446 WITH RESPECT TO INDUCEMENT FEES (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 446; 26 USC 860**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The temporary regulations provide guidance on the proper timing of income from the receipt of fees to induce the purchase of noneconomic residual interests in Real Estate Mortgage Investment Conduits (REMICs). The temporary regulations require that these REMIC inducement fees may no longer be taken into account currently upon receipt. Instead, the temporary regulations require that these inducement fees be taken into account over a period that is related to the period during which the applicable REMIC is expected to generate taxable income or net loss

allocable to the holder of the noneconomic residual interest. The temporary regulations also provide several safe harbor methods of accounting for these inducement fees. The regulations will be issued at 26 CFR section 1.446-6T, as applicable.

**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-162625-02

Drafting attorney: John W. Rogers, III (202) 622-3950

Reviewing attorney: Santina M. Jannotta (202) 622-3930

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**Agency Contact:** John W. Rogers, III, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950**Related RIN:** Related To 1545-BB73**RIN:** 1545-BB74**2672. • COLLECTED EXCISE TAXES; DUTIES OF COLLECTOR****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 4291; 26 USC 6302; 26 USC 7805**CFR Citation:** 26 CFR 40; 26 CFR 49**Legal Deadline:** None**Abstract:** These proposed regulations relate to the obligations of persons that receive payments for air transportation or communications service subject to excise tax when persons liable for taxes refuse to pay the tax.**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-163909-02

Drafting attorney: Patrick S. Kirwan (202) 622-3130

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Reviewing attorneys: Frank K. Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

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**Agency Contact:** Patrick S. Kirwan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**Related RIN:** Related To 1545-BB76

**RIN:** 1545-BB75

### 2673. • GUIDANCE ON LIFE INSURANCE AND ANNUITY CONTRACTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 817

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation modifies the existing section under 26 U.S.C. 817(h) relating to guidance on life insurance and annuity contracts.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-163974-02

Drafting attorney: James Polfer (202) 622-3970

Reviewing attorney: Donald Drees, Jr. (202) 622-3970

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**Agency Contact:** James Polfer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3970

**RIN:** 1545-BB77

### 2674. • CORPORATE REORGANIZATIONS; CONTINUITY—TRANSFERS OF ASSETS OR STOCK FOLLOWING A REORGANIZATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides amendments to regulations section 1.368-2(k) of the income tax regulations, which sets forth rules providing that for certain reorganizations, transfers by the acquiring corporation of target assets or stock to certain controlled corporations will not disqualify the transaction from nonrecognition treatment. The proposed amendments will clarify the reorganizations subject to these rules.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-165579-02

Drafting attorney: Rebecca Burch (202) 622-7550

Reviewing attorney: Wayne Murray (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Rebecca Burch, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

**Related RIN:** Related To 1545-BB81

**RIN:** 1545-BB80

### 2675. • CORPORATE REORGANIZATIONS; CONTINUITY—TRANSFERS OF ASSETS OR STOCK FOLLOWING A REORGANIZATION (TEMPORARY)

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides amendments to regulation section 1.368-2(k) of the income tax regulations, which sets forth rules providing that for certain reorganizations, transfers by the acquiring corporation of target assets or stock to certain controlled corporations will not disqualify the transaction from

nonrecognition treatment. The temporary regulations will clarify the reorganizations subject to these rules.

**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-165579-02

Drafting attorney: Rebecca Burch (202) 622-7550

Reviewing attorney: Wayne Murray (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Rebecca Burch, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

**Related RIN:** Related To 1545-BB80

**RIN:** 1545-BB81

### 2676. • NOTIONAL PRINCIPAL CONTRACTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 446

**CFR Citation:** 26 CFR 1; 26 CFR 602

**Legal Deadline:** None

**Abstract:** These proposed regulations relate to the character and the inclusion into income and deduction of contingent nonperiodic payments made pursuant to a notional principal contract.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** REG-166012-02

Drafting attorney: Kathleen Sleeth (202) 622-3290

Reviewing attorney: Elizabeth Handler (202) 622-3290

Treasury attorney: Viva Hammer (202) 622-0869

## TREAS—IRS

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CC:FIP

**Agency Contact:** Kathleen Sleeth, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3920

RIN: 1545-BB82

**2677. • ASSUMPTION OF PARTNERSHIP LIABILITIES (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These temporary regulations enact section 358(b) for partnerships for the period between October 18, 1999, and the publication of the companion proposed regulations.

**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-106736-00

Drafting attorney: Horace W. Howells (202) 622-3050

Reviewing attorney: Dianna Miosi (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Horace W. Howells, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3050

**Related RIN:** Related To 1545-AX93

RIN: 1545-BB83

**2678. • REMIC RESIDUALS—TIMING OF INCOME FOR FOREIGN HOLDERS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 860G(b); 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations under 26 U.S.C. 860G(b) provide that if the

holder of the REMIC residual interest is a foreign person, amounts inducible in the gross income of the holder shall be taken into account for each day during the taxable year on which the foreign person held the interest.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Additional Information:** REG-159929-02

Drafting attorney: Arturo Estrada (202) 622-3900

CC:FIP

**Agency Contact:** Arturo Estrada, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3900

RIN: 1545-BB84

**2679. • TRANSFEROR OR TRANSFEREE AS A PREDECESSOR OR SUCCESSOR****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 355; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations under section 355(e) sets forth whether a transferor or transferee will be treated as a predecessor or successor for purposes of section 355(e).

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-145535-02

Drafting attorney: Krishna P. Vallabhaneni (202) 622-7550

Reviewing attorney: Charles Whedbee (202) 622-7550

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Krishna P. Vallabhaneni, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

RIN: 1545-BB85

**2680. • DEPENDENT CARE CREDIT****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 21; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The notice of proposed rulemaking will amend existing but partially obsolete regulations under 26 U.S.C. 21.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-139059-02

Drafting attorney: Warren M. Joseph (202) 622-4920

CC:ITA

**Agency Contact:** Warren M. Joseph, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4920

RIN: 1545-BB86

**2681. • GUIDANCE UNDER SECTION 368 REGARDING RESTRICTED STOCK**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 368; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The notice of proposed rulemaking concerns how qualification of a corporate acquisition as a tax-free

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reorganization under section 368 of the Internal Revenue Code is affected by employee-shareholders' receipt of restricted stock of the acquiring corporation. Restricted stock is typically stock that the employee cannot sell and may forfeit, unless the employee works for the acquiring corporation for a certain number of years.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-140313-02

Drafting attorney: Stephen R. Cleary (202) 622-7530

Reviewing attorney: Mark S. Jennings (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Stephen R. Cleary, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**RIN:** 1545-BB87

### 2682. • DETERMINATION OF SINGLE-SUM DISTRIBUTIONS FROM CASH BALANCE PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will modify the rules for the determination of minimum single-sum distributions from cash balance pension plans.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Organizations

**Government Levels Affected:** None

**Additional Information:** REG-168897-02

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: Elizabeth Drigotas (202) 622-1332

CC:TEGE

**Agency Contact:** Linda S.F. Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BB93

### 2683. • ACCRUAL FOR CERTAIN REMIC REGULAR INTERESTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations provide guidance on the accrual of original issue discount on certain REMIC regular interests.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-108637-03

Drafting attorney: Rebecca E. Asta (202) 927-6716

CC:FIP

**Agency Contact:** Rebecca E. Asta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3940

**RIN:** 1545-BB94

### 2684. • MISCELLANEOUS CHANGES TO COLLECTION DUE PROCESS PROCEDURES RELATING TO NOTICE AND OPPORTUNITY FOR HEARING UPON FILING OF NOTICE OF LIEN

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 6320; 26 USC 6330

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The IRS is revising the regulations that apply to Collection Due Process (CDP) and equivalent hearings under section 6320 involving Federal tax liens.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-150088-02

Drafting attorney: Jerome D. Sekula (202) 622-3610

Reviewing attorney: Alan Levine (202) 622-3610

CC:PA:CBS

**Agency Contact:** Jerome D. Sekula, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3610

**RIN:** 1545-BB96

### 2685. • MISCELLANEOUS CHANGES TO COLLECTION DUE PROCESS PROCEDURES RELATING TO HEARINGS BEFORE LEVY

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 6330

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The IRS is revising the regulations that apply to Collection Due Process (CDP) and equivalent hearings under section 6330 involving Federal tax levies.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-150091-02

Drafting attorney: Jerome D. Sekula (202) 622-3610

CC:PA:CBS

**Agency Contact:** Jerome D. Sekula, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,

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**RIN:** 1545–BB97

### 2686. • COMPUTATION OF TAX ATTRIBUTES

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations under section 108 (and section 1017) will clarify: 1) the computation of tax attributes subject to reduction due to cancellation of indebtedness income (COD income) under section 108(c)(j)(6), (B), (C); and 2) that even in a section 381 transaction, all of a taxpayer's tax attributes, including basis, are subject to reduction.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-113112-03

Drafting attorney: Theresa M. Kolish (202) 622-7930

Reviewing attorney: Steve Hankin (202) 622-7930

CC:CORP

**Agency Contact:** Theresa M. Kolish, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

**RIN:** 1545–BB98

### 2687. • DISTRIBUTIONS OF LOSS CORPORATION STOCK BY QUALIFIED PLANS (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 382(m)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Under current regulations, distributions of loss corporation stock from a qualified trust to its beneficiaries can cause an ownership change, triggering the limitation on

losses of section 382 of the Internal Revenue Code. This regulation would reduce the negative impact of many such distributions by providing a “tacking rule” that would treat distributed stock as having been acquired by the beneficiary in the time and manner acquired by the trust.

**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-108676-03

Drafting attorney: Martin T. Huck (202) 622-7228

Reviewing attorney: Mark Jennings (202) 622-7228

CC:CORP

**Agency Contact:** Martin T. Huck, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7228

**RIN:** 1545–BB99

### 2688. • DISTRIBUTIONS OF LOSS CORPORATION STOCK BY QUALIFIED PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 382(m)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Under current regulations, distributions of loss corporation stock from a qualified trust to its beneficiaries can cause an ownership change, triggering the limitation on losses of section 382 of the Internal Revenue Code. This regulation would reduce the negative impact of many such distributions by providing a “talking rule” that would treat distributed stock as having been acquired by the beneficiary in the time and manner acquired by the trust.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-108676-03

Drafting attorney: Martin T. Huck (202) 622-7228

Reviewing attorney: Mark Jennings (202) 622-7228

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**Agency Contact:** Martin T. Huck, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7228

**RIN:** 1545–BC00

### 2689. • TAX EXEMPT BOND PARTNERSHIP REPORTING REGULATION (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6031; 26 USC 7805; 26 USC 706

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will state the IRS authority to issue other guidance concerning the reporting requirements for Tax Exempt Bond Partnerships. The guidance will be issued separately by Revenue Procedure.

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-115472-03

Drafting attorney: David A. Shulman (202) 622-3080

Reviewing attorney: Jeanne Sullivan (202) 622-3080

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** David A. Shulman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

**Related RIN:** Related To 1545-BC04

**RIN:** 1545–BC01

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**2690. • NEW MARKETS TAX CREDIT AMENDMENTS (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 450; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The temporary regulations will amend regulations section 1.45D-1T involving the new markets tax credit under section 45D. The amendments will address certain issues involving qualified low-income community investments under section 45D(d)(1).**Timetable:**

Action	Date
Temporary Regulations	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-115471-03

Drafting attorney: Paul F. Handleman (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Steve Watson (202) 622-1322

CC:PSI

**Agency Contact:** Paul F. Handleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040  
Fax: 202 622-4753**RIN:** 1545-BC02**2691. • NEW MARKETS TAX CREDIT AMENDMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 450; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will amend regulations section 1.45D-1T involving the new markets tax credit under section 45D. The amendments will address certain issues involving qualified low-income community investments under section 45D(d)(1).**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-115471-03

Drafting attorney: Paul F. Handleman (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Steve Watson (202) 622-1322

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**Agency Contact:** Paul F. Handleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040  
Fax: 202 622-4753**RIN:** 1545-BC03**2692. • TAX EXEMPT BOND PARTNERSHIP REPORTING REGULATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6031; 26 USC 7805; 26 USC 706**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will state the Services authority to issue other guidance concerning the reporting requirements for Tax Exempt Bond Partnerships. The guidance will be issued separately by Revenue Procedure.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-115472-03

Drafting attorney: David A. Shulman (202) 622-3080

Reviewing attorney: Jeanne Sullivan (202) 622-3080

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** David A. Shulman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080**Related RIN:** Related To 1545-BC01**RIN:** 1545-BC04**2693. • ALLOCATION OF BASIS TO DISTRIBUTEES FOLLOWING A REORGANIZATION****Priority:** Routine and Frequent**Legal Authority:** 26 USC 338; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** Amendment to section 1.358-2 of the income tax regulation. The proposed regulation will provide the basis allocation methods when a distributee exchanges a single class of acquired on different lots (different dates and basis) for a single class of stock in a reorganization qualifying under section 368.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-116564-03

Drafting attorney: Theresa M. Kolish (202) 622-7930

Reviewing attorney: Reginald Mombrun (202) 622-7930

CC:CORP

**Agency Contact:** Theresa M. Kolish, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930**RIN:** 1545-BC05**2694. • GENERAL ALLOCATION AND ACCOUNTING REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

## TREAS—IRS

## Proposed Rule Stage

**Abstract:** This regulation provides rules for the allocation of and accounting for bond proceeds for purposes of determining whether bonds are private activity bonds under section 141 of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** State**Federalism:** Undetermined**Additional Information:** REG-140379-02

Drafting attorney: Johanna L. Som de Cerff (202) 622-3980

CC:TEGE

**Agency Contact:** Johanna L. Som de Cerff, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980  
Fax: 202 622-4437

**RIN:** 1545-BC07
**Department of the Treasury (TREAS)  
Internal Revenue Service (IRS)**

## Final Rule Stage

**2695. GOLDEN PARACHUTE PAYMENTS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC 280G**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations will provide rules relating to restrictions on golden parachute payments. The regulations will provide guidance to taxpayers, who must comply with section 280G, by delineating the circumstances under which payments may be considered excess parachute payments.

**Timetable:**

Action	Date
NPRM	05/05/89 54 FR 19390
NPRM Comment Period End	07/05/89
Hearing	11/21/89 54 FR 39548
Second NPRM	02/20/02 67 FR 7630
Second NPRM Comment Period End	06/05/02
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209114-90 (EE-30-90)

Drafting attorney: Erinn M. Madden (202) 622-6060

Reviewing attorney: Robert Misner (202) 622-6060

CC:TEGE

**Agency Contact:** Erinn M. Madden, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,

1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6030**RIN:** 1545-AH49**2696. FOREIGN CORPORATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 367**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The income tax regulations under section 367 will be amended to reflect the changes made to that section by the Tax Reform Act of 1984. Section 367 now provides generally that a foreign corporation will not be considered to be a corporation, for purposes of certain nonrecognition provisions of the Code, upon the transfer of property to such corporation by a U.S. person. The statute provides certain exceptions to that rule, exemptions to those exceptions, and special rules applicable to certain specified transfers. The regulations will provide guidance concerning the applicability of the general rule and its exceptions and special rules, including guidance concerning transfers of assets for use in the active conduct of a trade or business, stock transfers, transfers of intangible assets, and transfers of branch operations that have operated at a loss.

**Timetable:**

Action	Date
NPRM	05/16/86 51 FR 17990
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209042-86 (INTL-610-86)

Drafting attorney: Michael H. Frankel (202) 622-3860

Reviewing attorney: Charlie Besecky (202) 622-3860

CC:INTL

**Agency Contact:** Michael H. Frankel, Senior Technical Reviewer, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-AK74**2697. NONRECOGNITION OF CORPORATE DISTRIBUTIONS AND REORGANIZATIONS UNDER THE FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 897**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations will provide rules concerning the effect of certain distributions including dividends, redemptions, distributions pursuant to reorganizations, and liquidations on corporations and their shareholders under the Foreign Investment in Real Property Tax Act. Regulations will also provide rules for determining the extent to which nonrecognition would apply to certain transfers of real property interests and the extent to which certain reorganizations will be treated as sales of property at fair market value.

**Timetable:**

Action	Date
NPRM	05/05/88 53 FR 16233



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## Final Rule Stage

Action	Date
Hearing	03/01/89 54 FR 1189
Final Action	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-209039-87 (INTL-491-87)

Drafting attorney: Robert W. Lorence (202) 622-3860

Reviewing attorney: Charles P. Besecky (202) 622-3860

CC:INTL

**Agency Contact:** Robert W. Lorence, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

Fax: 202 622-4476

RIN: 1545-AK79

**2698. COMPUTATION OF A BRANCH'S TAXABLE INCOME; TAXATION OF EXCHANGE GAIN OR LOSS ON BRANCH REMITTANCES**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** These regulations relate to branch rules and how to translate branch income, the taxation of exchange gain or loss on branch remittances.

**Timetable:**

Action	Date
NPRM	09/25/91 56 FR 48457
Final Action	06/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-208270-86 (INTL-965-86)

Drafting attorney: Kenneth P. Christman (202) 622-3870

Reviewing attorney: Jeffrey Dorfman (202) 622-3870

Treasury attorney: Patrick Brown (202) 622-1754

CC:INTL

**Agency Contact:** Kenneth P. Christman, Attorney-Advisor,

Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870

RIN: 1545-AM12

**2699. EARNINGS STRIPPING PAYMENTS**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This regulation addresses the deductibility of interest under section 163 being limited when paid by a corporation to related persons not subject to U.S. tax.

**Timetable:**

Action	Date
NPRM	06/18/91 56 FR 27907
Hearing	09/25/91
Final Action	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-209059-89 (INTL-870-89)

Drafting attorney: Theodore Setzer (202) 622-3870

Reviewing attorney: Jeffrey L. Dorfman (202) 622-3870

CC:INTL

**Agency Contact:** Theodore Setzer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870

RIN: 1545-AO24

**2700. REGISTRATION REQUIRED OBLIGATIONS**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 165

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This regulation will finalize all outstanding proposed regulations under section 1.163-1(b)(2).

**Timetable:**

Action	Date
NPRM	01/21/93 58 FR 5316
Final Action	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-208245-90 (INTL-115-90)

Drafting attorney: Carl M. Cooper (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

CC:INTL

**Agency Contact:** Carl M. Cooper, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

RIN: 1545-AP33

**2701. INTEREST-FREE ADJUSTMENTS**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 6205

CFR Citation: 26 CFR 31

Legal Deadline: None

**Abstract:** Under section 6205(a)(1) of the Code, if less than the correct amount of tax imposed under the FICA, the RRTA, or the income tax withholding provisions is paid with respect to any payment of wages or compensation, proper adjustments with respect to both the tax and amount to be deducted must be made without interest in such manner and in such times as the Secretary may by regulations prescribe. The amendments add language to clarify that an interest-free adjustment can be made in certain situations in which the error is ascertained before the appropriate return is filed. The amendments are intended to apply only to situations in which no return was filed because the employer improperly failed to treat its workers as employees.

**Timetable:**

Action	Date
NPRM	12/10/92 57 FR 58423
NPRM Comment	02/08/93
Period End	
Final Action	12/00/03

## TREAS—IRS

## Final Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209538-92 (EE-12-92)

Drafting attorney: Karin Loverud (202) 622-6060

Reviewing attorney: Mary Oppenheimer (202) 622-6010

CC:TEGE

**Agency Contact:** Karin Loverud, Tax Law Specialist, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060**RIN:** 1545-AQ61**2702. DEFINITION OF "HIGHLY COMPENSATED EMPLOYEE"****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 414**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations define the term "highly compensated employee" under section 414(q) of the Code. Temporary and proposed regulations, under sections 414(q) and 414(s), were published February 19, 1988 (53 FR 4965). Final regulations, under section 414(s), were published September 19, 1991 (56 FR 47659) under project EE-129-86. The regulations under 414(q) were split off from project EE-129-86. It is anticipated that proposed regulations under section 414(q) will be published in the future under project REG-209558-92 (EE-32-92).**Timetable:**

Action	Date	
NPRM	02/19/88	53 FR 4999
NPRM Comment Period End	04/19/88	
Partially Closed by TD 8548	06/27/94	59 FR 32911
Final Action	12/00/03	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** State, Local**Federalism:** Undetermined**Additional Information:** REG-209558-92

Drafting attorney: R. Lisa Mojiri-Azad (202) 622-6080

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: W. Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** R. Lisa Mojiri-Azad, Senior Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080**RIN:** 1545-AQ74**2703. ESCROW FUNDS AND OTHER SIMILAR FUNDS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 0468B**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides further guidance relating to certain escrow funds and other similar funds.**Timetable:**

Action	Date	
NPRM	02/01/99	64 FR 4801
NPRM Comment Period End	05/03/99	
Final Action	12/00/03	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209619-93 (IA-17-93)

Drafting attorney: A. Katharine Kiss (202) 622-4930

Reviewing attorney: Jeffery G. Mitchell (202) 622-4930

CC:ITA

**Agency Contact:** A. Katharine Kiss, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4930**RIN:** 1545-AR82**2704. MARK-TO-MARKET UPON DISPOSITION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 475**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations address the relationship between mark-to-market accounting and accrual of stated interest, discount and premium, and between mark-to-market accounting and the tax treatment of bad debts. The regulations also provide that securities are to be marked to market upon disposition by a dealer and the exemption from marking to market in certain securitization transactions.**Timetable:**

Action	Date	
NPRM	01/04/95	60 FR 397
Final Action	12/00/03	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209724-94 (FI-42-94)

Drafting attorney: Stephen J. Coleman (202) 622-3060

Reviewing attorney: Al Kraft (202) 622-3920

CC:FIP

Sections 1.475(a)-3 finalized in TD 8700. Sections 1.475(b)-4 finalized in TD 8700. Sections 1.475(c)-2 finalized in TD 8700.

**Agency Contact:** Stephen J. Coleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060**RIN:** 1545-AS85**2705. STRADDLES— MISCELLANEOUS ISSUES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1092**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation holds equity swaps to be straddles.**Timetable:**

Action	Date	
NPRM	05/02/95	60 FR 21482
Final Action	12/00/03	

**Regulatory Flexibility Analysis****Required:** No

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## Final Rule Stage

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209768-95 (FI-21-95)

Drafting attorney: Mary Truchly (202) 622-3960

Reviewing attorney: Christina Morrison (202) 622-3960

CC:FIP

**Agency Contact:** Mary Truchly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3960

**RIN:** 1545-AT46

#### 2706. AGREEMENTS FOR PAYMENT OF TAX LIABILITIES IN INSTALLMENTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6159; 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The regulations reflect the amendment of I.R.C. section 6159, section 202 of the Taxpayer Bill of Rights 2, which provides that upon request by a taxpayer the Secretary shall provide an independent review of the termination of an installment agreement. The regulations also reflect the amendment to section 6159(c), which guarantees the availability of installment agreements to taxpayers in certain circumstances.

##### Timetable:

Action	Date
NPRM	12/31/97 62 FR 68241
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-100841-97

Drafting attorney: Frederick W. Schindler (202) 622-3620

Reviewing attorney: Lawrence Schattner (202) 622-3620

CC:PA:CBS

**Agency Contact:** Frederick W. Schindler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3620

**RIN:** 1545-AU97

#### 2707. DEFINITION OF "PRIVATE ACTIVITY BONDS" ALLOCATION AND ACCOUNTING REGULATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 141; 26 USC 142; 26 USC 145; 26 USC 148; 26 USC 150

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide general allocation and accounting rules for purposes of applying the private activity bond tests to tax-exempt bonds issued by State and local governments.

##### Timetable:

Action	Date
NPRM	12/30/94 59 FR 67658
NPRM Comment Period End	05/01/95
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-101563-97

Drafting attorney: Bruce M. Serchuk (202) 622-3980

CC:TEGE

**Agency Contact:** Bruce M. Serchuk, Senior Technician Reviewer, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980  
Fax: 202 622-4437

**RIN:** 1545-AU98

#### 2708. RETURN OF LEVIED PROPERTY IN CERTAIN CASES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** Section 501(b) of the Taxpayer Bill of Rights 2 amended section 6343 of the Internal Revenue Code to authorize the Secretary to return levied property in four enumerated circumstances. Section 1102(d)(1)(B) of RRA 98 changed "Taxpayer Advocate" to "National

Taxpayer Advocate" as a person who determines what is in the best interest of the taxpayer. The regulations set forth the circumstances in which the Secretary may return property and procedures to implement these sections.

##### Timetable:

Action	Date
NPRM	02/14/01 66 FR 10249
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-101520-97

Drafting attorney: Kevin B. Connelly (202) 622-3630

Reviewing attorney: Robert Miller (202) 622-3630

Treasury attorney: Rita Cavanagh (202) 622-1981

CC:PA:CBS

**Agency Contact:** Kevin B. Connelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3630

**RIN:** 1545-AV01

#### 2709. ELECTRONIC TRANSMISSION OF WITHHOLDING CERTIFICATES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6061; 26 USC 1441

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides guidance for the electronic transmission of withholding certificates.

##### Timetable:

Action	Date
NPRM	10/14/97 62 FR 53504
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-107872-97

Drafting attorney: Carl M. Cooper (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

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CC:INTL

**Agency Contact:** Carl M. Cooper, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

RIN: 1545-AV27

**2710. INTEREST ON EDUCATION LOANS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 221; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides guidance on the deduction of interest on education loans under section 221.**Timetable:**

Action	Date
NPRM	01/21/99 64 FR 3257
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-116826-97

Drafting attorney: Kelly M. Davidson (202) 622-5020

Drafting attorney: Donna Crisalli (202) 622-5020

CC:ITA

**Agency Contact:** Kelly M. Davidson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-5020

RIN: 1545-AW01

**2711. MARK-TO-MARKET ACCOUNTING FOR DEALERS IN COMMODITIES AND TRADERS IN SECURITIES AND COMMODITIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 475; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides guidance concerning mark-to-market

accounting for securities traders and commodities dealers and traders.

**Timetable:**

Action	Date
NPRM	01/28/99 64 FR 4374
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-104924-98

Drafting attorney: Stephen J. Coleman (202) 622-3060

Reviewing attorney: Robert Williams (202) 622-3960

CC:FIP

**Agency Contact:** Stephen J. Coleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

RIN: 1545-AW06

**2712. INTERCOMPANY OBLIGATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation provides clarification of the tax treatment of certain transfers of intercompany obligations by or to a member of a consolidated group.**Timetable:**

Action	Date
NPRM	12/18/98 63 FR 70354
NPRM Comment Period End	03/22/99
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-105964-98

Drafting attorney: Frances Kelly (202) 622-7700

Reviewing attorney: Michael J. Wilder (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Frances Kelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**Related RIN:** Related To 1545-BA11

RIN: 1545-AW30

**2713. GUIDANCE UNDER SUBPART F RELATING TO CERTAIN HYBRID TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 954**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations provide guidance on the treatment under subpart F of certain payments involving branches of a CFC that are treated as separate entities for foreign tax purposes or partnerships in which CFCs are partners.**Timetable:**

Action	Date
NPRM	07/13/99 64 FR 37727
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-113909-98

Drafting attorney: Valerie A. Mark-Lippe (202) 622-3840

Reviewing attorney: Phyllis Marcus (202) 622-3840

CC:INTL

**Agency Contact:** Valerie A. Mark-Lippe, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

RIN: 1545-AW63

**2714. REPORTING OF PAYMENTS TO ATTORNEY****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 6045**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation provides information reporting requirements for

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payments of gross proceeds made in the course of a trade or business to attorneys in connection with legal services.

**Timetable:**

Action	Date
NPRM	05/21/99 64 FR 27730
Second NPRM	05/17/02 67 FR 35064
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-126024-01

Drafting attorney: Nancy L. Rose (202) 622-4910

Reviewing attorney: James C. Gibbons (202) 622-4910

Treasury attorney: Michael Novey (202) 622-1339

CC:PA:APJP

**Agency Contact:** Nancy L. Rose, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-AW72

**2715. QUALIFIED OFFERS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to the qualified offer rule allowing the recovery of reasonable administrative or litigation costs.

**Timetable:**

Action	Date
NPRM	01/04/01 66 FR 749
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-121928-98

Drafting attorney: Tami C. Belouin (202) 622-7940

Reviewing attorneys: Henry Schneiderman (202) 622-7820 and Susan T. Mosley (202) 622-7940

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJP

**Agency Contact:** Tami C. Belouin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7940

**RIN:** 1545-AW99

**2716. ALLOCATION OF RESEARCH CREDIT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 41

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance on the proper method of computing the research credit for a controlled group and the allocation of the research credit among members of the controlled group.

**Timetable:**

Action	Date
NPRM	01/04/00 65 FR 258
Public Hearing	04/26/00
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105606-99

Drafting attorney: Jolene J. Shiraishi (202) 622-3120

Reviewing attorney: Joseph H. Makurath (202) 622-3120

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

**Agency Contact:** Jolene J. Shiraishi, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20044  
Phone: 202 622-3120

**Related RIN:** Related To 1545-BA88

**RIN:** 1545-AX05

**2717. DELAY RENTAL PAYMENTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 263

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations clarify that section 1.612-3(c) applies to delay rental payments to the extent that section 263A does not require the payments to be capitalized.

**Timetable:**

Action	Date
NPRM	02/08/00 65 FR 6090
Public Hearing	05/26/00
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-103882-99

Drafting attorney: Brenda M. Stewart (202) 622-3120

Reviewing attorney: J.H. Makurath (202) 622-3120

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Brenda M. Stewart, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3120

**RIN:** 1545-AX06

**2718. GUIDANCE ON COST RECOVERY IN THE ENTERTAINMENT INDUSTRY**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to the application of the income forecast method under section 167(g) of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	05/31/02 67 FR 38025
Final Action	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-103823-99

Drafting attorney: Bernard P. Harvey, III (202) 622-3110

Reviewing attorney: Charles B. Ramsey (202) 622-3110

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Treasury attorney: George Manousos  
(202) 622-0865

CC:PSI

**Agency Contact:** Bernard P. Harvey III,  
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**RIN:** 1545–AX12

### 2719. ALLOCATING BASIS ADJUSTMENTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
755; 26 USC 1060

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will provide  
rules for determining the fair market  
value of partnership assets for the  
purpose of allocating basis adjustments  
under sections 732(d), 734(b), and  
743(b) among partnership assets under  
section 755, using the residual method  
of section 1060 of the Internal Revenue  
Code.

**Timetable:**

Action	Date
NPRM	04/05/00 65 FR 17829
Final Action	12/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-107872-99

Drafting attorney: Craig A. Gerson (202)  
622-3050

Reviewing attorney: Matthew Lay (202)  
622-3060

Treasury attorney: Deborah Harrington  
(202) 622-1788

CC:PSI

**Agency Contact:** Craig A. Gerson,  
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**Related RIN:** Related To 1545-BA32

**RIN:** 1545–AX18

### 2720. GUARANTEED INVESTMENT CONTRACTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will revise  
the special rules for guaranteed  
investment contracts.

**Timetable:**

Action	Date
NPRM	08/27/99 64 FR 46876
Final Action	12/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** State,  
Local

**Additional Information:** REG-105565-99

Drafting attorney: Rose M. Weber (202)  
622-3980

Reviewing attorney: Rebecca L. Harrigal  
(202) 622-3980

Treasury attorney: Stephen J. Watson  
(202) 622-1322

CC:TEGE

**Agency Contact:** Rose M. Weber,  
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**RIN:** 1545–AX22

### 2721. SPECIAL RULES FOR RETROACTIVE PAYMENTS UNDER SECTION 417(A)(7)(A) FOR QUALIFIED RETIREMENT PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 417; 26 USC  
7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation provides  
guidance regarding the special rule in  
section 417(a)(7)(A), which permits  
qualified retirement plans to provide  
written explanation of QJSA after the  
annuity starting date.

**Timetable:**

Action	Date
NPRM	01/17/01 66 FR 3916
Final Action	12/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:**  
Undetermined

**Additional Information:** REG-109481-99

Drafting attorney: Robert M. Walsh  
(202) 622-6090

Reviewing attorney: Marjorie Hoffman  
(202) 622-6000

CC:TEGE

**Agency Contact:** Robert M. Walsh,  
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Phone: 202 622-6090

**RIN:** 1545–AX34

### 2722. CHANGES IN ENTITY CLASSIFICATION: SPECIAL RULE FOR CERTAIN FOREIGN ELIGIBLE ENTITIES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
7701

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulation provides  
rules relating to certain conversions of  
foreign eligible entities under the entity  
classification rules.

**Timetable:**

Action	Date
NPRM	11/29/99 64 FR 66591
Public Hearing	01/31/00
NPRM Comment Period End	02/28/00
Final Action	12/00/03

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-110385-99

Drafting attorney: Aaron A. Farmer  
(202) 622-3860

Reviewing attorney: Charles P. Besbeck  
(202) 622-3860

CC:INTL

**Agency Contact:** Aaron A. Farmer,  
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Washington, DC 20224

## TREAS—IRS

## Final Rule Stage

Phone: 202 622-3860

RIN: 1545–AX39

### 2723. COMPENSATION DEFERRED UNDER ELIGIBLE SECTION 457(B) PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 457

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations relate to deferred compensation plans of State and local governments and tax-exempt entities under section 457 of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	05/08/02 67 FR 30826
Public Hearing	08/29/02 67 FR 43574
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** State, Local

**Federalism:** Undetermined

**Additional Information:** REG-105885-99

Drafting attorney: Cheryl E. Press (202) 622-6060

Reviewing attorney: Robert Patchell (202) 622-6060

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Cheryl E. Press, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060  
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RIN: 1545–AX52

### 2724. STOCK TRANSFER RULES—CARRYOVER OF EARNINGS AND TAXES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 367

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides guidance with respect to how earnings

and profits and foreign income tax accounts carry over under section 381 and are allocated under section 312 in certain transactions described in section 367(b) of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	11/15/00 65 FR 69138
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-116050-99

Drafting attorney: Mark R. Pollard (202) 622-3850

Reviewing attorney: Anne Devereaux (202) 622-3850

Treasury attorney: Michael Caballero (202) 622-0851

CC:INTL

**Agency Contact:** Mark R. Pollard, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

RIN: 1545–AX65

### 2725. ALLOCATION AND APPORTIONMENT OF INTEREST EXPENSE AND CERTAIN OTHER EXPENSES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 864

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide rules for the allocation and apportionment of interest expenses and certain other expenses for purposes of the foreign tax credit and certain other international tax provisions.

**Timetable:**

Action	Date
NPRM	02/05/90 55 FR 3750
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-117608-99

Drafting attorney: David F. Bergkuist (202) 622-3850

Reviewing attorney: Anne O. Devereaux (202) 622-3850

CC:INTL

**Agency Contact:** David F. Bergkuist, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

RIN: 1545–AX72

### 2726. HIPAA PORTABILITY

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 9833

**CFR Citation:** 26 CFR 54

**Legal Deadline:** None

**Abstract:** These regulations provide guidance to group health plans regarding the limitations on imposing pre-existing condition exclusions and the special enrollment rules. These regulations also provide guidance regarding plans and benefits that are not subject to these rules.

**Timetable:**

Action	Date
NPRM	04/08/97 62 FR 16977
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-119828-99

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawshunsky (202) 622-6000

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

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Phone: 202 622-6080

RIN: 1545–AX84

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**2727. DISCLOSURE OF RETURN AND RETURN INFORMATION TO DESIGNEE OF TAXPAYER****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6103**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** This regulation finalizes regulations implementing the amendment contained in the Taxpayer Bill of Rights II (TBOR II) to Internal Revenue Code section 6103(c). TBOR II eliminated the requirement for a request or consent for disclosure to be in writing. The final regulation, which will be substantially identical to a temporary regulation already in effect will permit the Internal Revenue Service to disclose returns and return information to a taxpayer's designee, pursuant to non-written request for or consent to disclosure. The regulation will also provide rules and guidance for consent in an electronic environment. Additionally, the regulation will provide guidance to Internal Revenue Service personnel to clarify a number of issues that have arisen since the regulation was initially promulgated in the late 1970s.

**Timetable:**

Action	Date
NPRM	01/11/01 66 FR 2373
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-103320-00

Drafting attorney: Joseph E. Conley (202) 622-4580

Reviewing attorney: David Fish (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** Joseph E. Conley, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4580

**RIN:** 1545–AX85**2728. APPLICATION OF SEPARATE FOREIGN TAX CREDIT LIMITATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 904; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation clarifies the application of separate foreign tax credit limitations under sections 904(b) and 904(d) of the Code and revises the rules for computing post-1986 undistributed earnings and taxes of foreign corporations under section 902 of the Code.

**Timetable:**

Action	Date
NPRM	01/03/01 66 FR 319
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-104683-00

Drafting attorney: Bethany Ingwalson (202) 622-3850

Reviewing attorney: Barbara A. Felker (202) 622-3850

Treasury attorney: Michael Caballero (202) 622-0851

CC:INTL

**Agency Contact:** Bethany Ingwalson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

**RIN:** 1545–AX88**2729. DEFINITION OF INCOME****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 643; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations provide guidance under section 643 of the Internal Revenue Code, on whether State law definition of trust income is trust income for Federal tax purposes.

**Timetable:**

Action	Date
NPRM	02/15/01 66 FR 1039
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Additional Information:** REG-106513-00

Drafting attorney: Bradford R. Poston (202) 622-3060

Reviewing attorney: J. Thomas Hines (202) 622-3060

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Bradford R. Poston, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**RIN:** 1545–AX96**2730. INVESTMENT TYPE PROPERTY (PREPAYMENT)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation defines investment type property for purposes of determining whether bonds are arbitrage bonds under section 148 of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	08/25/99 64 FR 46320
Second NPRM	04/17/02 67 FR 18835
Public Hearing	09/24/02
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** State, Local**Additional Information:** REG-105369-00

Drafting attorney: Johanna L. Som de Cerff (202) 622-3980

Reviewing attorney: Rebecca L. Harrigal (202) 622-3980

Treasury attorney: Stephen Watson (202) 622-1322

CC:TEGE

The previous notice of proposed rulemaking (REG-113526-98; 64 FR



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46320), published on August 25, 1999, relating to arbitrage and related restrictions applicable to tax-exempt bonds issued by State and Local governments, is withdrawn by the second notice of proposed rulemaking (REG-105369-00; 67 FR 18835).

**Agency Contact:** Johanna L. Som de Cerff, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

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**Related RIN:** Related To 1545-AW44

**RIN:** 1545–AY12

### 2731. ELECTING MARK-TO-MARKET FOR MARKETABLE STOCK OF A PFIC

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1296

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation describes the methods and procedures for electing mark-to-market treatment for marketable stock of a PFIC.

**Timetable:**

Action	Date
NPRM	07/31/02 67 FR 49634
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-112306-00

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Phyllis Marcus (202) 622-3840

CC:INTL

**Agency Contact:** Alexandra K. Helou, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3840

**RIN:** 1545–AY17

### 2732. AUTHORIZED PLACEMENT AGENCY

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 152

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations amend the definition of “authorized placement agency” (for purposes of determining whether a child placed for legal adoption in a taxpayer’s home is a dependent of the taxpayer) to include biological parents and other persons authorized by State law to place children for legal adoption.

**Timetable:**

Action	Date
NPRM	11/30/00 65 FR 71277
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-107279-00

Drafting attorney: Elizabeth K. Kaye (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

CC:PA:APJP

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**RIN:** 1545–AY18

### 2733. USE OF TAXPAYER IDENTIFYING NUMBERS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6109; 26 USC 1445; 26 USC 897

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation requires the use of taxpayer identifying numbers on submissions made by foreign taxpayers to reduce or eliminate tax under sections 897 and 1445 of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	07/26/02 67 FR 48823
Hearing	11/13/02 67 FR 48823
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-106876-00

Drafting attorney: Robert W. Lorence (202) 622-3860

Reviewing attorney: Charles Besecky (202) 622-3860

Treasury attorney: Michael Caballero (202) 622-0851

CC:INTL

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**RIN:** 1545–AY24

### 2734. DUAL CONSOLIDATED LOSS RECAPTURE EVENTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed regulation will revise provisions in section 1503(d) of the Internal Revenue Code relating to dual consolidated losses.

**Timetable:**

Action	Date
NPRM	08/01/02 67 FR 49892
Hearing	12/03/02 67 FR 49892
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-106879-00

Drafting attorneys: Kathryn T. Holman (202) 622-3860 and Kenneth D. Allison (202) 622-3860

Reviewing attorney: Michael H. Frankel (202) 622-3860

CC:INTL

**Agency Contact:** Kathryn T. Holman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

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Kenneth D. Allison, Attorney-Advisor, Department of the Treasury, Internal

## TREAS—IRS

## Final Rule Stage

Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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RIN: 1545–AY27

### 2735. HIPAA GENERAL NONDISCRIMINATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 9833

**CFR Citation:** 26 CFR 54

**Legal Deadline:** None

**Abstract:** These regulations provide guidance regarding the requirements imposed on group health plans not to discriminate in rules for eligibility under the plan on the basis of any health factor, and not to require any individual to pay a higher premium or contribution for coverage under the plan than any similarly situated individual based on any health factor.

#### Timetable:

Action	Date
NPRM	01/08/01 66 FR 1435
Final Action	06/00/03

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-114082-00

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawshunsky (202) 622-6000

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

RIN: 1545–AY32

### 2736. HIPAA NONDISCRIMINATION EXCEPTION FOR CHURCH PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 7853

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide guidance on the exception for certain

grandfathered church plans from the general rule requiring group health plans not to discriminate in rules for eligibility on the basis of any health factor.

#### Timetable:

Action	Date
NPRM	01/10/01 66 FR 1437
Final Action	06/00/03

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-114083-00

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawshunsky (202) 622-6000

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

RIN: 1545–AY33

### 2737. HIPAA NONDISCRIMINATION EXCEPTION FOR BONA FIDE WELLNESS PROGRAMS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 9833

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide guidance regarding the exception for certain wellness programs to the general rule imposed on group health plans not to require a higher premium or contribution from an individual than from a similarly situated individual based on any health factor.

#### Timetable:

Action	Date
NPRM	01/08/01 66 FR 1421
Final Action	06/00/03

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-114084-00

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawshunsky (202) 622-6080

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

RIN: 1545–AY34

### 2738. INFORMATION REPORTING ON CANCELLATION OF INDEBTEDNESS

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 6050

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to information reporting on the cancellation of indebtedness.

#### Timetable:

Action	Date
NPRM	06/13/02 67 FR 40629
Public Hearing	10/08/02
Final Action	12/00/03

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-107524-00

Drafting attorney: Joseph P. Dewald (202) 622-4910

Reviewing attorney: Donna Welch (202) 622-4910

Treasury attorney: Michael Novey (202) 622-1339

CC:PA:APJP

**Agency Contact:** Joseph P. Dewald, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

RIN: 1545–AY35

## TREAS—IRS

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**2739. RECOGNITION OF GAIN ON CERTAIN DISTRIBUTIONS OF STOCK OR SECURITIES IN CONNECTION WITH AN ACQUISITION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 355(e)(5)**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance on section 355(e) of the Internal Revenue Code. Section 355(e) provides that a distributing corporation will recognize gain on the distribution of stock of a controlled corporation if 50 percent of the stock of the distributing corporation or controlled corporation is acquired pursuant to a plan that includes the distribution.

**Timetable:**

Action	Date
NPRM	04/26/02 67 FR 20711
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-163892-01

Drafting attorney: Amber R. Cook (202) 622-7530

Reviewing attorney: Stephen P. Fattman (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

On January 2, 2001, a notice of proposed rulemaking was published in the Federal Register (REG-107566-00; 66 FR 66) under section 355(e) of the Internal Revenue Code of 1986. A public hearing regarding those proposed regulations was held on May 15, 2001. On August 3, 2001, those proposed regulations were published as temporary regulations in the Federal Register (REG-107566-00; 66 FR 40590). This regulation withdraws the notice of proposed rulemaking that was published on January 2, 2001, and provides new rules under section 355(e) of the Internal Revenue Code of 1986 by cross-reference to temporary regulations published in the same issue of the Federal Register.

**Agency Contact:** Amber R. Cook, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530**RIN:** 1545–AY42**2740. MODIFIED GUARANTEED CONTRACTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 817A**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations will provide guidance to issuers of modified guaranteed contracts.

**Timetable:**

Action	Date
NPRM	06/03/02 67 FR 38214
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-248110-96

Drafting attorney: Ann H. Logan (202) 622-3970

Reviewing attorney: Donald J. Drees (202) 622-3970

CC:FIG

**Agency Contact:** Ann H. Logan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3970

**RIN:** 1545–AY48**2741. ELECTION—ASSET ACQUISITIONS OF INSURANCE COMPANIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 148; 26 USC 7805; 26 USC 721; 26 USC 338**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations prescribe the manner in which the various provisions of subchapter L, chapter 1, subtitle A of the Internal Revenue Code apply to asset acquisitions deemed to occur by reason of a section 338 election as well as to actual acquisitions of insurance company assets subject to section 1060.

**Timetable:**

Action	Date
NPRM	03/08/02 67 FR 10640
Public Hearing	09/18/02
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-118861-00

Drafting attorney: Mark Weiss (202) 622-7790

Reviewing attorney: Filiz Serbes (202) 622-7790

Treasury attorney: Audrey Nacamuli (202) 622-0869

CC:CORP

**Agency Contact:** Mark Weiss, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7790

**RIN:** 1545–AY49**2742. ELECTRONIC FURNISHING OF PAYEE STATEMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6050; 26 USC 6051; 26 USC 6041; 26 USC 6724**CFR Citation:** 26 CFR 1; 26 CFR 31**Legal Deadline:** None

**Abstract:** This regulation amends the regulations to allow for the electronic furnishing of Forms W-2, 1098-E, 1098-T, and other payee statements.

**Timetable:**

Action	Date
NPRM	02/14/01 66 FR 10247
NPRM Comment Period End	07/06/01 66 FR 32279
Public Hearing	07/25/01 66 FR 32279
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** State**Additional Information:** REG-107186-00

Drafting attorney: Michael E. Hara (202) 622-4910

Reviewing attorney: John McGreevy (202) 622-4910

Treasury attorney: John Parcell (202) 622-2578

## TREAS—IRS

## Final Rule Stage

CC:PA:APJP

**Agency Contact:** Michael E. Hara, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue, Washington, DC 20224

Phone: 202 622-4910

RIN: 1545–AY50

**2743. TAX TREATMENT OF CAFETERIA PLANS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 125**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides information about the tax treatment of cafeteria plans.

**Timetable:**

Action	Date
NPRM	01/10/01 66 FR 1923
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Federal**Additional Information:** REG-209461-79

Drafting attorney: Christine Keller (202) 622-6080

Reviewing attorney: Janet A. Laufer (202) 622-6090

CC:TEGE

**Agency Contact:** Christine Keller, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-6080

RIN: 1545–AY67

**2744. QUALIFIED S ELECTION FOR TESTAMENTARY TRUSTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1361**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These final regulations relate to the qualified subchapter S election for testamentary trusts. A testamentary trust may qualify as a permitted shareholder of an S corporation for a two-year period beginning on the day the stock is transferred to the trust.

These regulations would provide that the beneficiary of a qualifying testamentary trust that also qualifies as a qualified subchapter S trust (QSST) may make a QSST election at any time up to the end of the 16-day-and-2-month period beginning after the two-year qualifying period.

**Timetable:**

Action	Date
NPRM	08/24/01 66 FR 44565
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-106431-01

Drafting attorney: Deane M. Burke (202) 622-3070

Reviewing attorney: Mary Beth Collins (202) 622-3070

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Deane M. Burke, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3070

RIN: 1545–AY76

**2745. RESEARCH CREDIT III****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 41**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation relates to the computation of the research credit under section 41(c) and the definition of the qualified research under section 41(d) of the Internal Revenue Code.

**Timetable:**

Action	Date
NPRM	12/26/01 66 FR 66362
Hearing	03/27/02
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-112991-01

Drafting attorney: Nicole R. Cimino (202) 622-3120

Reviewing attorney: Leslie Finlow (202) 622-3120

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

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Phone: 202 622-3120

RIN: 1545–AY82

**2746. TREATMENT OF COMMUNITY INCOME FOR CERTAIN INDIVIDUALS NOT FILING JOINT RETURNS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 66**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations will provide guidance on the treatment of community income for certain married taxpayers who do not file joint tax returns.

**Timetable:**

Action	Date
NPRM	01/22/02 67 FR 2841
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-115054-01

Drafting attorney: Robin M. Tuczak (202) 622-4940

Reviewing attorney: Judith M. Wall (202) 622-4940

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:APJP

**Agency Contact:** Robin M. Tuczak, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-4940

RIN: 1545–AY83

**2747. LOW-INCOME TAXPAYER CLINICS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805

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**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will amend the regulations pertaining to the definition of income tax return preparer to exclude low-income taxpayer clinics and their volunteers when operating as authorized by 26 U.S.C. 7526.**Timetable:**

Action	Date
NPRM	06/11/02 67 FR 39915
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-115285-01

Drafting attorney: Brinton T. Warren (202) 622-4940

Reviewing attorney: Judith M. Wall (202) 622-4940

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJP

**Agency Contact:** Brinton T. Warren, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940**Related RIN:** Related To 1545-BA95**RIN:** 1545-AY84**2748. CHARITABLE LEAD INTEREST****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 2055; 26 USC 2522; 26 USC 170**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation conforms the regulations under sections 170, 2055, and 2522 to the decision in Estate of Boeshore v. Commissioner, 78 T.C. 523 (1982) acq. in result, 1987-2 C.B. 1. The opinion found that section 20.2055-2(c)(2)(vi)(e) was invalid to the extent that it held that an estate tax charitable deduction was precluded because a private unitrust interest was payable from the trust before the commencement of the charitable unitrust interest.**Timetable:**

Action	Date
NPRM	07/23/02 67 FR 48070
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Additional Information:** REG-115781-01

Drafting attorney: Susan B. Hurwitz (202) 622-3090

Reviewing attorney: George Masnik (202) 622-3090

CC:PSI

**Agency Contact:** Susan B. Hurwitz, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3090**RIN:** 1545-AY86**2749. NEW MARKET TAX CREDIT****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 45D; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations relate to the new markets tax credit under section 45D, which was enacted by section 121(a) of the Community Renewal Tax Relief Act of 2000 (Pub. L. 106-554).**Timetable:**

Action	Date
ANPRM	05/01/01 66 FR 21844
NPRM	12/26/01 66 FR 66376
Public Hearing	03/14/02
Final Action	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Additional Information:** REG-119436-01

Drafting attorney: Paul F. Handleman (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Steve Watson (202) 622-1322

CC:PSI

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Phone: 202 622-3040

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**RIN:** 1545-AY87**2750. NET GIFT TREATMENT****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 25**Legal Deadline:** None**Abstract:** This regulation is intended to cover the effect of gift tax entitled to be recovered by the donor, pursuant to the right of recovery under section 2207A, on the amount of the gift under section 2519 (i.e., whether the transfer is a "net gift"). The section was reserved when the regulations under section 2519 were finalized, because of uncertainty regarding whether section 2207A shifts the liability for the gift tax to the beneficiaries of the transfer. After considering the issue in conjunction with several TAMS and PLRS, we have adopted a position that section 2207A does not shift the liability for the gift tax imposed on a section 2519 transfer.**Timetable:**

Action	Date
NPRM	07/22/02 67 FR 47755
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-123345-01

Drafting attorney: DeAnn K. Malone (202) 622-7830

Reviewing attorney: Melissa Liquerman (202) 622-7076

CC:PSI

**Agency Contact:** DeAnn K. Malone, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830**RIN:** 1545-AY91**2751. DEFINITION OF AGENT AND SAFEGUARD CERTIFICATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6103**CFR Citation:** 26 CFR 301

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**Legal Deadline:** None

**Abstract:** This regulation relates to the definition of agent for purposes of I.R.C. sections 6103(1) and (m).

**Timetable:**

Action	Date
NPRM	02/01/02 67 FR 4938
NPRM Comment Period End	05/02/02
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** State, Federal, Local

**Additional Information:** REG-120135-01

Drafting attorney: Helene R. Newsome (202) 622-4570

Reviewing attorney: Donald M. Squires (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

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Phone: 202 622-4570

**RIN:** 1545-AY94

**2752. TAX SHELTER PENALTIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6662; 26 USC 6664

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The proposed regulations relate to sections 6662 and 6664 regarding tax shelter penalties. The project has arisen in connection with the revision to Circular 230.

**Timetable:**

Action	Date
NPRM	12/31/02 67 FR 79894
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-126016-01

Drafting attorneys: Jamie G. Bernstein (202) 622-4570

Reviewing attorney: Ashton P. Trice (202) 622-7820

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJP

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Phone: 202 622-4570  
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**Related RIN:** Related To 1545-BB70

**RIN:** 1545-AY97

**2753. EXPENDITURES IN CONNECTION WITH THE CREATION OF INTANGIBLE ASSETS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 263

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations provide guidance on the treatment of costs incurred in connection with the creation of an intangible asset.

**Timetable:**

Action	Date
NPRM	12/19/02 67 FR 77701
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-125638-01

Drafting attorney: Andrew J. Keyso, Jr. (202) 622-5020

Reviewing attorney: Robert Casey (202) 622-4950

Treasury attorney: Jodi Cohen (202) 622-0160

CC:ITA

**Agency Contact:** Andrew J. Keyso Jr., Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-5020

**RIN:** 1545-BA00

**2754. MERGERS INVOLVING DISREGARDED ENTITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 368; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will provide guidance concerning the requirements to be met in order for a merger or consolidation to qualify as a reorganization under section 368(a)(1)(A). They will also address whether certain mergers involving disregarded entities can qualify as reorganizations under section 368(a)(1)(A).

**Timetable:**

Action	Date
NPRM	11/15/01 66 FR 57400
Temporary Regulations	01/24/03 68 FR 3384
Second NPRM	01/24/03 68 FR 3477
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-126485-01

Drafting attorneys: Richard M. Heinecke (202) 622-7930

Reviewing attorney: Reginald Mombrum (202) 622-7930

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

RIN 1545-BA06 and its corresponding number REG-126485-01 was first opened with respect to a proposed regulation that was first published in the Federal Register on November 15, 2001. The November 15, 2001, proposed regulations were withdrawn by proposed regulations in the Federal Register on January 24, 2003. The January 24, 2003, proposed regulations with the same REG-126485-01, not only withdrew the November 15, 2001, proposed regulations but also served as (1) a cross-referencing proposed regulation to a temporary regulation published in the Federal Register on January 24, 2003, and (2) a NPRM.

The temporary regulations also use the REG-126485-01 number. The document published with respect to the temporary regulations also serve as

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final regulations. The final regulations use RIN 1545-BB46 and REG-162729-02. Once the temporary regulations were published, the final regulations (REG-162729-02; RIN 1545-BB46) were closed.

**Agency Contact:** Richard M. Heinecke, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

**Related RIN:** Related To 1545-BB46

**RIN:** 1545-BA06

### 2755. CONSOLIDATED RETURNS; NONAPPLICABILITY OF SECTION 357(C)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations make amendments to section 1.1502-80(d) of the consolidated return regulations dealing with the scope of the nonapplicability of section 357(c) in a consolidated group.

#### Timetable:

Action	Date
NPRM	11/14/01 66 FR 57021
Public Hearing	03/21/02
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-137519-01

Drafting attorney: Thomas I. Russell (202) 622-7550

Reviewing attorney: Al Bishop (202) 622-7930

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

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Phone: 202 622-7550

**RIN:** 1545-BA09

### 2756. REDUCTIONS OF ACCRUALS AND ALLOCATIONS BECAUSE OF INCREASED AGE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 411; 26 USC 411

**CFR Citation:** 26 CFR 1

**Legal Deadline:** Final, Statutory, February 1, 1988.

**Abstract:** These regulations will prescribe rules regarding the requirement that accruals and allocations under qualified retirement plans cannot be reduced because of the attainment of any age.

#### Timetable:

Action	Date
NPRM	12/11/02 67 FR 76123
Hearing	04/09/03
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses, Organizations

**Government Levels Affected:** None

**Additional Information:** REG-209500-86

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

CC:TEGE

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Phone: 202 622-6090

**Related RIN:** Related To 1545-BB79

**RIN:** 1545-BA10

### 2757. PROCUREMENT/PURCHASING CARD REPORTING

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6041; 26 USC 3406; 26 USC 6724

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide guidance on the rules relating to information reporting, backup withholding, and penalties for transactions with payments made with a procurement/purchasing card.

#### Timetable:

Action	Date
NPRM	01/31/03 68 FR 4970
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-116641-01

Drafting attorney: Donna J. Welch (202) 622-4910

Reviewing attorney: John McGreevy (202) 622-4910

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJP

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**Related RIN:** Related To 1545-BB88

**RIN:** 1545-BA17

### 2758. RECEIPT OF MULTIPLE NOTICES WITH RESPECT TO INCORRECT TAXPAYER IDENTIFICATION NUMBERS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 3406

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** The regulations will amend the rule for determining the number of notices a payer received from the Internal Revenue Service for purposes of determining whether a payer must impose backup withholding pursuant to section 31.3406(d).

#### Timetable:

Action	Date
NPRM	07/03/02 67 FR 44579
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-116644-01

Drafting attorney: Nancy L. Rose (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

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Treasury attorney: Jodi Cohen (202) 622-0160

CC:PA:APJP

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Phone: 202 622-4910

**RIN:** 1545-BA18

### 2759. CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGED 50 OR OVER

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will provide guidance for plans that permit individuals aged 50 or over to make catch-up contributions under the plan.

**Timetable:**

Action	Date
NPRM	10/23/01 66 FR 53555
Public Hearing	04/30/02 67 FR 7656
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-142499-01

Drafting attorney: John T. Ricotta (202) 622-6060

Reviewing attorney: Marjorie Hoffman (202) 622-6060

Treasury attorney: Elizabeth Drigotas (202) 622-1332

CC:TEGE

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Phone: 202 622-6060

**RIN:** 1545-BA24

### 2760. SPLIT-DOLLAR LIFE INSURANCE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 7872

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides guidance under sections 7872, 61, and 83 on the taxation of split-dollar life insurance arrangements pursuant to Notice 2001-10 and Notice 2002-8.

**Timetable:**

Action	Date
NPRM	07/09/02 67 FR 95414
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-164754-01

Drafting attorney: Rebecca E. Asta (202) 622-3940

Reviewing attorney: David Silber (202) 622-3524

Treasury attorney: Mike Novey (202) 622-1339

CC:FIP

**Agency Contact:** Rebecca E. Asta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3940

**RIN:** 1545-BA44

### 2761. AMENDMENT TO THE DEFINITION OF REFUNDING

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will amend the definition of a refunding issue applicable to tax-exempt bonds issued by States and local governments.

**Timetable:**

Action	Date
NPRM	04/10/02 67 FR 17310
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** State, Local

**Additional Information:** REG-165706-01

Drafting attorney: Michael P. Brewer (202) 622-3980

Reviewing attorney: Bruce Serchuk (202) 622-3980

CC:TEGE

**Agency Contact:** Michael P. Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980

**RIN:** 1545-BA46

### 2762. TREATMENT OF FUNDED WELFARE BENEFIT PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides special rules concerning employer deductions for contributions to a welfare benefit fund that is part of a 10 or more employer plan.

**Timetable:**

Action	Date
NPRM	07/11/02 67 FR 45933
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-165868-01

Drafting attorney: Betty J. Clary (202) 622-6080

Reviewing attorney: Mark Schwimmer (202) 622-6080

Treasury attorney: Harlan Weller (202) 622-1001

CC:TEGE

**Agency Contact:** Betty J. Clary, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

**RIN:** 1545-BA47

### 2763. LOSS LIMITATION RULES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 337(d)

**CFR Citation:** 26 CFR 1; 26 CFR 602

**Legal Deadline:** None

**Abstract:** The regulation provides guidance on the treatment of certain losses recognized on sales of subsidiary



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stock by members of a consolidated group under section 337(d) and section 1502 of the Internal Revenue Code. For related matters, see the proposed regulations published on March 12, 2002, at 67 FR 11070 regarding REG-102740-02.

**Timetable:**

Action	Date
NPRM	05/31/02 67 FR 38040
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-123305-02

Drafting attorney: Lola L. Johnson (202) 622-7550

Reviewing attorney: Sean P. Duffley (202) 622-7530

CC:CORP

**Agency Contact:** Lola L. Johnson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

**Related RIN:** Related To 1545-BA51, Related To 1545-BA74

**RIN:** 1545-BA52

**2764. NONCOMPENSATORY PARTNERSHIP OPTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 704; 26 USC 721; 26 USC 761

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulation will describe the tax treatment of noncompensatory partnership options.

**Timetable:**

Action	Date
NPRM	01/22/03 68 FR 2930
Public Hearing	05/20/03
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-103580-02

Drafting attorney: Audrey W. Ellis (202) 622-3060

Reviewing attorneys: Matthew Lay (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

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**RIN:** 1545-BA53

**2765. COMPENSATORY STOCK OPTIONS UNDER SECTION 482**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 482

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide rules for treatment of stock options with regard to qualified cost sharing arrangements, non-integral services, and other section 482 purposes.

**Timetable:**

Action	Date
NPRM	07/29/02 67 FR 48997
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-106359-02

Drafting attorney: Douglas L. Giblen (202) 874-1490

Reviewing attorney: Elizabeth G. Beck (202) 874-1895

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

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Phone: 202 874-1490

**RIN:** 1545-BA57

**2766. MODIFICATION OF CHECK THE BOX REGULATIONS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1; 26 CFR 301

**Legal Deadline:** None

**Abstract:** The Modification of Check the Box regulations will add a new section to the 301.7701-2 regulations to provide that in certain circumstances, namely in State law mergers and conversions, a surviving disregarded entity will be regarded for purposes of assessment and collection of prior year tax liabilities of predecessor entities. Thus, following a transaction in which a regarded entity is merged or converted into a disregarded entity, the Commissioner will be able to exercise collection and assessment authority against the disregarded entity for any liabilities stemming from tax periods of the regarded entity prior to the date of the transaction.

**Timetable:**

Action	Date
Temporary Regulation	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-106681-02

Drafting attorney: James M. Gergurich (202) 622-3070

Reviewing attorney: Jeanne Sullivan (202) 622-3070

Treasury attorney: Stephanie Robinson (202) 622-9858

CC:PSI

**Agency Contact:** James M. Gergurich, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**RIN:** 1545-BA58

**2767. REQUIRED DISTRIBUTIONS FROM RETIREMENT PLANS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 401(a)(9)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

## TREAS—IRS

## Final Rule Stage

**Abstract:** This regulation relates to required minimum distributions from defined benefit plans and annuity contracts.

**Timetable:**

Action	Date
NPRM	04/17/02 67 FR 18834
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-108697-02

Drafting attorney: Cathy A. Vohs (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6000

CC:TEGE

**Agency Contact:** Cathy A. Vohs, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**Related RIN:** Related To 1545-AY69, Related To 1545-AY70

**RIN:** 1545-BA60

### 2768. CARRYBACK OF CONSOLIDATED NET OPERATING LOSSES TO SEPARATE RETURN YEARS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will harmonize the waiver election in regulations section 1.1502-21(b)(3) with the amendments to IRC 172(b) with the Job Creation and Worker Assistance Act of 2002.

**Timetable:**

Action	Date
NPRM	05/31/02 67 FR 38039
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-122564-02

Drafting and reviewing attorney: Marie C. Milnes-Vasquez (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

**Agency Contact:** Marie Milnes-Vasquez, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7750

**Related RIN:** Related To 1545-BA76

**RIN:** 1545-BA73

### 2769. CONTROLLED FOREIGN PARTNERSHIP REPORTING

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 6038

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance regarding controlled foreign partnership reporting.

**Timetable:**

Action	Date
NPRM	12/23/02 67 FR 78202
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-124069-02

Drafting attorney: Tasheaya Warren Ellison (202) 622-3860

Reviewing attorney: Michael H. Frankel (202) 622-3860

CC:INTL

**Agency Contact:** Tasheaya Warren Ellison, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-BA77

### 2770. EARNINGS CALCULATION FOR RETURNED OR RECHARACTERIZED CONTRIBUTIONS

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation sets forth a rule for calculating net income attributable to IRA contributions being returned under Code section 408(d)(4) or recharacterized under Code section 408A(d)(6).

**Timetable:**

Action	Date
NPRM	07/23/02 67 FR 48067
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-124256-02

Drafting attorney: Cathy A. Vohs (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6090

CC:TEGE

**Agency Contact:** Cathy A. Vohs, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BA82

### 2771. REPORTING REQUIREMENTS FOR WIDELY HELD FIXED INVESTMENT TRUSTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation relates to reporting requirements for widely held fixed investment trusts.

**Timetable:**

Action	Date
NPRM	06/20/02 67 FR 41892
NPRM Comment Period End	09/18/02
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

## TREAS—IRS

## Final Rule Stage

**Additional Information:** REG-106871-00

Drafting attorney: Faith Colson (202) 622-3060

Reviewing attorney: J. Thomas Hines (202) 622-3060

Treasury attorney: Viva Hammer (202) 622-0869

CC:PSI

**Agency Contact:** Faith Colson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**Related RIN:** Related To 1545-AU15

**RIN:** 1545-BA83

**2772. GUIDANCE ON REPORTING OF DEPOSIT INTEREST PAID TO NONRESIDENT ALIENS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1; 26 CFR 31

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance on the reporting requirements for interest on deposits maintained at U.S. offices of certain financial institutions and paid to nonresident aliens that are residents of certain specified countries.

**Timetable:**

Action	Date
NPRM	08/02/02 67 FR 50386
Hearing	12/05/02 67 FR 50386
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-133254-02

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie Mark Lippe (202) 622-3840

Treasury attorney: Hilary Hoover (202) 622-1781

CC:INTL

**Agency Contact:** Alexandra K. Helou, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BA86

**2773. DESIGNATED IRS OFFICER OR EMPLOYEE**

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 7602

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulatory amendment clarifies that Chief Counsel attorneys can receive the designated authority to take summoned testimony under oath.

**Timetable:**

Action	Date
NPRM	09/10/02 67 FR 57354
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-134026-02

Drafting attorney: Elizabeth D. Rawlins (202) 622-3630

Reviewing attorney: Robert A. Miller (202) 622-3630

CC:PA:CBS

**Agency Contact:** Elizabeth D. Rawlins, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3630

**Related RIN:** Related To 1545-BA98

**RIN:** 1545-BA89

**2774. REDUCED EXCLUSION OF GAIN FROM SALE OR EXCHANGE OF PRINCIPAL RESIDENCE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 121; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides guidance on when a taxpayer who has not owned and used the property for two years or who has claimed the exclusion within the last two years is eligible to claim a reduced exclusion under section 121(c).

**Timetable:**

Action	Date
NPRM	12/24/02 67 FR 78398
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-138882-02

Drafting attorney: Sara P. Shepherd (202) 622-4960

Reviewing attorney: J. Charles Strickland (202) 622-4960

Treasury attorney: Eric Sam Juan (202) 622-0224

CC:ITA

**Agency Contact:** Sara P. Shepherd, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4960

**Related RIN:** Related To 1545-BB02

**RIN:** 1545-BB01

**2775. SUBSTANTIATION OF INCIDENTAL EXPENSES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 274(d)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will amend the regulations under section 1.274-5 to grant the Commissioner authority to establish a method under which a taxpayer may elect to use a specified amount or amounts for incidental expenses paid or incurred while traveling away from home in lieu of substantiating the actual incidental expenses.

**Timetable:**

Action	Date
NPRM	11/08/02 67 FR 68539
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-141832-02

Drafting attorney: Samerra Y. Hasan (202) 622-4930

Reviewing attorney: John Moriarty (202) 622-4800

CC:ITA

**Agency Contact:** Sameera Y. Hasan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,

## TREAS—IRS

## Final Rule Stage

1111 Constitution Avenue NW,  
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Phone: 202 622-4930

**Related RIN:** Related To 1545-BB19

**RIN:** 1545-BB20

### 2776. EXCLUSIONS FROM GROSS INCOME OF FOREIGN CORPORATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 883; 26 USC 872

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide rules with respect to whether a foreign country will be considered to grant a reciprocal Aircraft/Shipping exemption to U.S. corporations for purposes of section 883 of the Code. This regulation will also provide rules with respect to whether a foreign corporation satisfies the ownership requirements of section 883(c) and the activity requirements of section 883(a). The regulation affects a large segment of the shipping and air transport industries.

**Timetable:**

Action	Date
NPRM	08/02/02 67 FR 50510
Hearing	11/12/02 67 FR 50510
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-136311-01

Drafting attorneys: Patricia A. Bray (202) 622-3880 and David L. Lundy (202) 622-3880

Reviewing attorney: Elizabeth U. Karzon (202) 622-3880

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Patricia A. Bray, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3880

David L. Lundy, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3880

**Related RIN:** Previously reported as 1545-BA07

**RIN:** 1545-BB30

### 2777. • ADVANCE RENTALS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 61(a)(5)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will allow the IRS Commissioner to change the rules for accounting for advance rental income. This change is needed to accomplish an item on Treasury's Guidance Priority List involving advance payments. Because the modification only provides for the Commissioner's authority and does not directly change a substantive rule, the regulation should have no lost or risk.

**Timetable:**

Action	Date
NPRM	12/18/02 67 FR 77450
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-151043-02

Drafting attorney: Edwin B. Cleverdon (202) 622-7900

Reviewing attorney: Kim Koch (202) 622-5020

CC:ITA

**Agency Contact:** Edwin B. Cleverdon, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4920

**RIN:** 1545-BB44

### 2778. • INFORMATION REPORTING RELATING TO TAXABLE STOCK TRANSACTIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6043; 26 USC 6045

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations under sections 6043(c) and 6045 require information reporting for corporate

acquisitions of control and changes in capital structure.

**Timetable:**

Action	Date
NPRM	11/18/02 67 FR 69496
Final Action	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-143321-02

Drafting attorney: Nancy L. Rose (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

CC:PA:APJP

**Agency Contact:** Nancy L. Rose, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**Related RIN:** Related To 1545-BB40

**RIN:** 1545-BB60

### 2779. • COLLECTED EXCISE TAXES; DUTIES OF COLLECTOR (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 4291; 26 USC 6302; 26 USC 7805

**CFR Citation:** 26 CFR 40; 26 CFR 49

**Legal Deadline:** None

**Abstract:** These temporary regulations relate to the obligations of persons that receive payments for air transportation or communications service subject to excise tax when persons liable for taxes refuse to pay the tax.

**Timetable:**

Action	Date
Temporary Regulations	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-163909-02

Drafting attorney: Patrick S. Kirwan (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3130

## TREAS—IRS

## Final Rule Stage

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Patrick S. Kirwan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**Related RIN:** Related To 1545-BB75

**RIN:** 1545-BB76

**2780. • AVAILABILITY OF SECTION 338(H)(10) ELECTION IN MULTISTEP TRANSACTIONS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 338; 26 USC 368

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to whether a section 338(h)(10) election should suspend application of the step transaction doctrine.

**Timetable:**

Action	Date
NPRM	10/07/02 67 FR 62417
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-143679-02

Drafting attorneys: Mary E. Goode (202) 622-7930 and Daniel Heins (202) 622-7930

Reviewing attorney: Reginald Mombrun (202) 622-7930

CC:CORP

**Agency Contact:** Daniel F. Heins, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

Mary E. Goode, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

**Related RIN:** Related To 1545-BB68

**RIN:** 1545-BB78

**2781. • APPLICATION OF NONDISCRIMINATION CROSS-TESTING RULES TO CASH BALANCE PLANS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 411

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide rules for the application of

certain nondiscrimination requirements, prohibiting discrimination in favor of highly compensated employees, to cash balance pension plans.

**Timetable:**

Action	Date
NPRM	12/11/02 67 FR 76123
Hearing	04/09/03
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses, Organizations

**Government Levels Affected:** None

**Additional Information:** REG-164464-02

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6090

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Linda S.F. Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**Related RIN:** Related To 1545-BA10

**RIN:** 1545-BB79

## Department of the Treasury (TREAS)

## Long-Term Actions

## Internal Revenue Service (IRS)

**2782. INCOME TAX—TAXPAYER'S OBLIGATION TO FILE A NOTICE OF REDETERMINATION OF FOREIGN TAX AND CIVIL PENALTIES FOR FAILURE TO FILE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1; 26 CFR 301; 26 CFR 602

**Timetable:**

Action	Date
NPRM	06/23/88 53 FR 23659
Next Action	Undetermined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Margaret A. Hogan

Phone: 202 622-3850

**RIN:** 1545-AC09

**2783. INCOME TAX—DEFINITION OF QUALIFIED POSSESSION SOURCE INVESTMENT INCOME FOR PURPOSES OF PUERTO RICO AND POSSESSION TAX CREDIT**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date
NPRM	01/21/86 51 FR 2726
Next Action	Undetermined

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** W. Edward Williams  
Phone: 202 622-3880

**RIN:** 1545-AC10

**2784. FSC TRANSFER PRICING RULES, DISTRIBUTIONS, DIVIDENDS RECEIVED, DEDUCTION, AND OTHER SPECIAL RULES FOR FSC**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date
NPRM	03/03/87 52 FR 6467
NPRM Comment Period End	05/02/87
Next Action	Undetermined

## TREAS—IRS

## Long-Term Actions

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Douglas L. Giblen  
Phone: 202 874-1490

RIN: 1545-AI16

**2785. INFORMATION FROM  
PASSPORT AND IMMIGRATION  
APPLICANTS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 301

**Timetable:**

Action	Date
NPRM	12/24/92 57 FR 61373
Next Action Undetermined	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Amanda A. Ehrlich  
Phone: 202 622-3880

RIN: 1545-AJ93

**2786. INCOME OF FOREIGN  
GOVERNMENTS AND  
INTERNATIONAL ORGANIZATIONS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Timetable:**

Action	Date
NPRM	06/27/88 53 FR 24100
NPRM Comment	08/26/88
Period End	
Next Action Undetermined	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: David A. Juster  
Phone: 202 622-3850

RIN: 1545-AL93

**2787. CLARIFICATION OF  
TREATMENT OF SEPARATE  
LIMITATION LOSSES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Richard L. Chewning  
Phone: 202 622-3850

RIN: 1545-AM11

**2788. EARNINGS AND PROFITS OF  
CONTROLLED FOREIGN  
CORPORATIONS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Timetable:**

Action	Date
NPRM	01/25/90 55 FR 2535
Next Action Undetermined	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Margaret A. Hogan  
Phone: 202 622-3850

RIN: 1545-AM90

**2789. CARIBBEAN BASIN  
INVESTMENTS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Timetable:**

Action	Date
NPRM	05/13/91 56 FR 21963
Hearing	07/12/91 56 FR 21963
Next Action Undetermined	

**Regulatory Flexibility Analysis**

Required: Undetermined

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: W. Edward Williams  
Phone: 202 622-3880

RIN: 1545-AM91

**2790. RAILROAD UNEMPLOYMENT  
REPAYMENT TAX**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 31

**Timetable:**

Action	Date
NPRM	05/13/93 58 FR 28374
NPRM Comment	07/12/93
Period End	
Next Action Undetermined	

**Regulatory Flexibility Analysis**

Required: Undetermined

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Kyle A. Finizio  
Phone: 202 622-6040

RIN: 1545-AN40

**2791. CONSOLIDATED ALTERNATIVE  
MINIMUM TAX**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Timetable:**

Action	Date
NPRM	12/30/92 57 FR 62251
NPRM Comment	03/01/93
Period End	
Hearing	04/06/93
Next Action Undetermined	

**Regulatory Flexibility Analysis**

Required: Undetermined

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Martin Scully  
Phone: 202 622-4960

RIN: 1545-AN73

**2792. CONFORMING TAXABLE YEARS  
OF CFCS AND FPHCS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Timetable:**

Action	Date
NPRM	01/05/93 58 FR 290
Next Action Undetermined	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Carl M. Cooper  
Phone: 202 622-3840

RIN: 1545-AO22

**2793. CHARITABLE CONTRIBUTIONS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Timetable:**

Action	Date
NPRM	03/12/91 56 FR 10395
Hearing	08/01/91 56 FR 23823
Next Action Undetermined	

## TREAS—IRS

## Long-Term Actions

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Teresa B. Hughes  
Phone: 202 622-3850

RIN: 1545-AP30

**2794. GUIDANCE IN NOTICE 89-37, WHICH TREATS THE RECEIPT OF A CORPORATE PARTNER'S STOCK BY THE CORPORATE PARTNER AS A CIRCUMVENTION OF GENERAL UTILITIES REPEAL****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/15/92 57 FR 59324
NPRM Comment Period End	01/20/93

Next Action Undetermined

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Lisa K. Leong  
Phone: 202 622-7530

RIN: 1545-AP52

**2795. USE OF GAAP EARNINGS AS E&P OF FOREIGN CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	07/01/92 57 FR 29246

Next Action Undetermined

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Margaret A. Hogan  
Phone: 202 622-3850

RIN: 1545-AQ55

**2796. THE TREATMENT OF ACCELERATED DEATH BENEFITS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/15/92 57 FR 59319

Action	Date
NPRM Comment Period End	02/26/93
Hearing	03/19/93

Next Action Undetermined

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Ann H. Logan  
Phone: 202 622-3970

RIN: 1545-AQ70

**2797. FOREIGN TRUSTS REGULATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Karen Rennie Quarrie  
Phone: 202 622-3880

RIN: 1545-AR25

**2798. TREATMENT OF DUAL CONSOLIDATED LOSSES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis**

Required: Undetermined

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Kenneth D. Allison  
Phone: 202 622-3860

RIN: 1545-AR26

**2799. ALLOCATION OF ACCRUED BENEFITS BETWEEN EMPLOYER AND EMPLOYEE CONTRIBUTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/22/95 60 FR 66532

Action	Date
NPRM Comment Period End	03/21/96

Next Action Undetermined

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Cathy A. Vohs  
Phone: 202 622-6090

RIN: 1545-AT82

**2800. FOREIGN CORPORATIONS REGULATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	03/08/96 61 FR 9377

Next Action Undetermined

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Kenneth P. Christman  
Phone: 202 622-3870

RIN: 1545-AT96

**2801. TREATMENT OF OBLIGATION-SHIFTING TRANSACTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/27/96 61 FR 68175
NPRM Comment Period End	04/08/97
Final Action	12/00/04

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Christina A. Morrison  
Phone: 202 622-3950

RIN: 1545-AU19

**2802. APPLICATION OF GRANTOR TRUST RULES TO NONEXEMPT EMPLOYEES' TRUST****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1

## TREAS—IRS

## Long-Term Actions

**Timetable:**

Action	Date
NPRM	09/27/96 61 FR 50778
NPRM Comment Period End	12/26/96
Hearing	01/15/97
Next Action	Undetermined

**Regulatory Flexibility Analysis  
Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** M. Grace Fleeman  
Phone: 202 622-3880Linda S.F. Marshall  
Phone: 202 622-6090James A. Quinn  
Phone: 202 622-3070**RIN:** 1545-AU29**2803. RECOMPUTATION OF LIFE  
INSURANCE RESERVES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	01/02/97 62 FR 71
Next Action	Undetermined

**Regulatory Flexibility Analysis  
Required: Undetermined****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Mark S. Smith  
Phone: 202 622-3970**RIN:** 1545-AU49**2804. APPLICATION OF ATTRIBUTION  
RULES TO FOREIGN TRUSTS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis  
Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** W. Edward Williams  
Phone: 202 622-3880**RIN:** 1545-AU91**2805. FINANCIAL ASSET  
SECURITIZATION INVESTMENT  
TRUST (FASIT) START-UP;  
OPERATIONAL AND TRANSITIONAL  
RULES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301; 26 CFR 1**Timetable:**

Action	Date
ANPRM	11/04/96 61 FR 56648
ANPRM Comment Period End	12/31/96
NPRM	02/07/00 65 FR 5807
Next Action	Undetermined

**Regulatory Flexibility Analysis  
Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Alexa Temple Dubert  
Phone: 202 622-3071**RIN:** 1545-AU94**2806. STOCKS AND SECURITIES  
SAFE HARBOR EXCEPTION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	06/12/98 63 FR 32164
Hearing	09/09/98
NPRM Comment Period End	09/10/98
Final Action	12/00/04

**Regulatory Flexibility Analysis  
Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Paul S. Epstein  
Phone: 202 622-3870**RIN:** 1545-AW13**2807. SOURCE OF INCOME FROM  
CERTAIN SPACE AND OCEAN  
ACTIVITIES AND FOR  
COMMUNICATIONS INCOME****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	01/17/01 66 FR 3903
Hearing	05/23/01 66 FR 12916
Next Action	Undetermined

**Regulatory Flexibility Analysis  
Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Edward R. Barret  
Phone: 202 874-1490**RIN:** 1545-AW50**2808. HIGHWAY VEHICLE—  
DEFINITION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 48**Timetable:**

Action	Date
NPRM	06/06/02 67 FR 38913
Public Hearing	02/27/03
Final Action	12/00/04

**Regulatory Flexibility Analysis  
Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Theodore N.  
Margopulos  
Phone: 202 622-3130**RIN:** 1545-AX10**2809. INSPECTION OF WRITTEN  
DETERMINATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis  
Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Deborah Lambert-  
Dean  
Phone: 202 622-4570  
Fax: 202 622-9888**RIN:** 1545-AX40**2810. DEFINITION OF PRIVATE  
ACTIVITY BOND—REFUNDING  
REGULATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/30/94 59 FR 67658
NPRM Comment Period End	05/01/95
Next Action	Undetermined



## TREAS—IRS

## Long-Term Actions

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Bruce M. Serchuk

Phone: 202 622-3980

Fax: 202 622-4437

**RIN:** 1545–AX55**2811. DEFINITION OF PASSIVE FOREIGN INVESTMENT COMPANY UNDER SECTION 1297****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Alexandra K. Helou

Phone: 202 622-3840

**RIN:** 1545–AX78**2812. CAPITALIZATION OF INTEREST AND CARRYING CHARGES PROPERLY ALLOCABLE TO STRADDLES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	01/18/01 66 FR 4746
Next Action Undetermined	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Mary Truchly

Phone: 202 622-3960

**RIN:** 1545–AX92**2813. ACTIVE CONDUCT OF AN INSURANCE BUSINESS UNDER PFIC RULES****Priority:** Substantive, Nonsignificant.

Major status under 5 USC 801 is undetermined.

**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Agency Contact:** Mark R. Pollard

Phone: 202 622-3850

**RIN:** 1545–AY20**2814. SPECIAL RULES RELATING TO TRANSFERS OF INTANGIBLES TO FOREIGN CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** Thomas D. Beem

Phone: 202 622-3860

**RIN:** 1545–AY41**2815. SPECIAL RULES FOR S CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301; 26 CFR 601**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** David A. Juster

Phone: 202 622-3850

**Related RIN:** Split From 1545-AP35, Related To 1545-AS88**RIN:** 1545–AY44**2816. TRANSITIONAL RELIEF FOR QUALIFIED INTERMEDIARIES****Priority:** Substantive, Nonsignificant.

Major status under 5 USC 801 is undetermined.

**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date
NPRM	12/00/04

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined**Agency Contact:** Marc Korab

Phone: 202 622-3840

**RIN:** 1545–AY92**2817. APPLICATION OF THE FEDERAL INSURANCE CONTRIBUTIONS ACT, FEDERAL UNEMPLOYMENT TAX ACT, AND COLLECTION OF INCOME TAX AT SOURCE TO STATUTORY STOCK OPTIONS****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**CFR Citation:** 26 CFR 31**Timetable:**

Action	Date
NPRM	11/13/01 66 FR 57023
Public Hearing	05/14/02 67 FR 5076
Next Action Undetermined	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Stephen B. Tackney

Phone: 202 622-6040

**RIN:** 1545–BA26**2818. FOREIGN CORPORATIONS—TREATMENT OF DISTRIBUTIONS OR LIQUIDATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Aaron A. Farmer

Phone: 202 622-3860

**RIN:** 1545–BA79**2819. REDEMPTIONS TREATED AS DIVIDENDS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1

## TREAS—IRS

## Long-Term Actions

**Timetable:**

Action	Date
NPRM	10/18/02 67 FR 64331
Final Action	12/00/04

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Lisa K. Leong

Phone: 202 622-7530

RIN: 1545-BA80

**2820. ALLOCATION AND APPORTIONMENT OF INTEREST EXPENSE**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Timetable: Next Action Undetermined

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Melissa D. Arndt

Phone: 202 622-3850

Related RIN: Related To 1545-BA02

RIN: 1545-BA92

**2821. EARNINGS AND PROFITS ATTRIBUTION PRINCIPLES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Timetable: Next Action Undetermined

Regulatory Flexibility Analysis

Required: Undetermined

Small Entities Affected: No

Government Levels Affected:

Undetermined

Federalism: Undetermined

Agency Contact: Mark R. Pollard

Phone: 202 622-3850

RIN: 1545-BA93

**2822. AUTHORIZATION FOR IRS TO CHARGE FEES FOR COPYING EXEMPT ORGANIZATION RETURNS**

Priority: Info./Admin./Other

CFR Citation: 26 CFR 301

Timetable:

Action	Date
NPRM	12/00/04

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Sarah Tate

Phone: 202 622-4590

Related RIN: Related To 1545-BB22

RIN: 1545-BB21

**2823. AUTHORIZATION FOR IRS TO CHARGE FEES FOR COPYING EXEMPT ORGANIZATION RETURNS (TEMPORARY)**

Priority: Info./Admin./Other

CFR Citation: 26 CFR 301

Timetable:

Action	Date
Temporary Regulation	12/00/04

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Sarah Tate

Phone: 202 622-4590

Related RIN: Related To 1545-BB21

RIN: 1545-BB22

**2824. MIXED USE OUTPUT FACILITIES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Timetable:

Action	Date
ANPRM	09/23/02 67 FR 59767
Next Action	Undetermined

Regulatory Flexibility Analysis

Required: Undetermined

Small Entities Affected: No

Government Levels Affected: State, Local

Federalism: Undetermined

Agency Contact: Rose M. Weber

Phone: 202 622-3980

Fax: 202 622-4437

RIN: 1545-BB23

**2825. ACCRUAL RULES FOR CREDITABLE FOREIGN TAXES AND GUIDANCE ON CHANGE IN TAXABLE YEAR**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Timetable: Next Action Undetermined

Regulatory Flexibility Analysis

Required: Undetermined

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Margaret A. Hogan

Phone: 202 622-3850

RIN: 1545-BB27

**2826. • LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 403

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** Under section 448(d)(5), as amended by the Job Creation and Worker Assistance Act of 2002, the nonaccrual experience method of accounting is available only for amounts to be received for the performance of qualified services (i.e., services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting) or for services provided by certain small businesses (i.e., those with gross receipts of \$5 million or less). The law provides that such taxpayers are not required to accrue, based on their experience, any portion of year-end receivables that will not be collected. Under the proposed regulations, taxpayers will be permitted to determine such amounts using alternative computations or formulas which, based on experience, accurately reflect the amount of income that will not be collected by such taxpayer. The proposed regulations will provide safe harbor methods (computations or formulas) of estimating such amounts that the taxpayers can rely on.

Timetable: Next Action Undetermined

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Additional Information: REG-141402-02

Drafting attorney: Terrance McWhorter (202) 622-4970

Reviewing attorney: Tom A. Luxner (202) 622-4970

CC:ITA

We issued Interim Guidance in the form of a Notice 2003-12, 2003-6 published in the IRB 422 on January 22, 2003, with a request for comments.

**Agency Contact:** Terrance McWhorter, General Tax Attorney, Department of

## TREAS—IRS

## Long-Term Actions

the Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4970

**RIN:** 1545-BB43

### 2827. • PARTNERSHIP EQUITY FOR SERVICES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 721; 26 USC 83

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations will describe the tax treatment of partnership equity issued in connection with the performance of services.

**Timetable:**

Action	Date
NPRM	06/00/04

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105346-03  
Drafting attorney: Audrey W. Ellis (202) 622-3060

Reviewing attorney: Matthew Lay (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Audrey W. Ellis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**RIN:** 1545-BB92

### 2828. • TRANSFERS OF NONSTATUTORY STOCK OPTIONS TO RELATED PERSONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 42 USC 83

**CFR Citation:** 42 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will provide rules for determining when the transfer of a nonstatutory stock option will be considered an arm's length transaction for purposes of section 1.83-7(a).

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-116914-03

Drafting attorney: Stephen B. Tackney (202) 622-6040

Treasury attorney: Elizabeth Drigotas (202) 622-1332

CC:TEGE

**Agency Contact:** Stephen B. Tackney, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6040

**RIN:** 1545-BC06

## Department of the Treasury (TREAS) Internal Revenue Service (IRS)

## Completed Actions

### 2829. LIMITATIONS ON PASSIVE ACTIVITY LOSSES AND CREDITS—SELF-CHARGED ITEMS

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date
Final Action Completed by TD 9013	08/21/02 67 FR 54087

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Danielle M. Grimm  
Phone: 202 622-3080

**RIN:** 1545-AN64

### 2830. ELECTION TO TREAT TRUST AS ESTATE

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date
Final Action Completed by TD 9032	12/24/02 67 FR 78371

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Faith Colson  
Phone: 202 622-3060

**RIN:** 1545-AW24

### 2831. CORPORATE TAX SHELTER REGISTRATION

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 301

**Completed:**

Reason	Date
Final Action Completed by TD 9046	03/04/03 68 FR 10161

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Danielle M. Grimm

Phone: 202 622-3080

Tara P. Volungis  
Phone: 202 622-3080

**Related RIN:** Related To 1545-AX81, Related To 1545-AX79, Related To 1545-BA62, Related To 1545-BB50, Related To 1545-BB53

**RIN:** 1545-AW26

### 2832. EDUCATION CREDITS

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date
Final Action Completed by TD 9034	12/26/02 67 FR 78687

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Donna J. Welch  
Phone: 202 622-4910  
Fax: 202 927-9248

**RIN:** 1545-AW65

## TREAS—IRS

## Completed Actions

**2833. CERTAIN ASSET TRANSFERS TO REGULATED INVESTMENT COMPANIES (RICS) AND REAL ESTATE INVESTMENT TRUSTS (REITS)**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date
Final Action Completed by TD 9047	03/18/03 68 FR 12817

Regulatory Flexibility Analysis Required: No

Government Levels Affected: Federal

Agency Contact: Jennifer D. Sledge  
Phone: 202 622-7750

RIN: 1545-AW92

**2834. NOTICE OF CONTACT OF THIRD PARTIES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 301

**Completed:**

Reason	Date
Final Action Completed by TD 9028	12/18/02 67 FR 77419

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Charles B. Christopher  
Phone: 202 622-3630

RIN: 1545-AX04

**2835. EXCLUSION OF GAIN ON THE SALE OR EXCHANGE OF PRINCIPAL RESIDENCE**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date
Final Action Completed by TD 9030	12/24/02 67 FR 78358

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Sara P. Shepherd  
Phone: 202 622-4960

RIN: 1545-AX28

**2836. LOANS TO PARTICIPANTS OR BENEFICIARIES FROM QUALIFIED EMPLOYEE PLANS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date
Final Action Completed by TD 9021	12/03/02 67 FR 71821

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Vernon Carter  
Phone: 202 622-6060

RIN: 1545-AX68

**2837. REQUIREMENT TO MAINTAIN LIST OF INVESTORS IN POTENTIALLY ABUSIVE TAX SHELTERS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 301; 26 CFR 602

**Completed:**

Reason	Date
Fourth NPRM	10/22/02 67 FR 64799
Final Action Completed by TD 9046	03/04/03 68 FR 10161

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Tara P. Volungis  
Phone: 202 622-3080Charlotte Chyr  
Phone: 202 622-3070

Related RIN: Related To 1545-AW26, Related To 1545-AX81, Related To 1545-BA62, Related To 1545-BB53, Related To 1545-BB52

RIN: 1545-AX79

**2838. TAX SHELTER DISCLOSURE STATEMENTS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1; 26 CFR 602

**Completed:**

Reason	Date
Fourth NPRM	10/22/02 67 FR 64840
Final Action Completed by TD 9046	03/04/03 68 FR 10161

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Tara P. Volungis  
Phone: 202 622-3080Charlotte Chyr  
Phone: 202 622-3070

Related RIN: Related To 1545-AX79, Related To 1545-AW26, Related To 1545-BA62, Related To 1545-BB48, Related To 1545-BB53

RIN: 1545-AX81

**2839. STATUTE OF LIMITATIONS ON COLLECTION INSTALLMENT AGREEMENTS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 301

**Completed:**

Reason	Date
Final Action Completed by TD 9027	12/18/02 67 FR 77416

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Frederick W. Schindler  
Phone: 202 622-3620

RIN: 1545-AX89

**2840. DEFINITION OF DIESEL FUEL**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 48

**Completed:**

Reason	Date
Final Action Completed by TD 9051	04/02/03 68 FR 15940

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Susan Athy  
Phone: 202 622-3130

RIN: 1545-AX97

**2841. CONSTRUCTIVE TRANSFERS AND TRANSFERS OF PROPERTY TO THIRD PARTIES ON BEHALF OF A SPOUSE**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

## TREAS—IRS

## Completed Actions

**Completed:**

Reason	Date
Final Action Completed by TD 9035	01/13/03 68 FR 1534

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None**Agency Contact:** Edward C. Schwartz  
Phone: 202 622-4960**RIN:** 1545–AX99**2842. GUIDANCE NECESSARY TO  
FACILITATE ELECTRONIC TAX  
ADMINISTRATION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1; 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9040	01/31/03 68 FR 4918

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None**Agency Contact:** Joseph P. Dewald  
Phone: 202 622-4910**Related RIN:** Related To 1545-AY56**RIN:** 1545–AY04**2843. DAMAGES FOR INTENTIONAL  
OR RECKLESS DISREGARD OF THE  
INTERNAL REVENUE CODE****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9050	03/25/03 68 FR 14316

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None**Agency Contact:** Robert A. Miller  
Phone: 202 622-3640**RIN:** 1545–AY08**2844. DISALLOWANCE OF  
DEDUCTIONS AND CREDITS FOR  
FAILURE TO FILE TIMELY RETURN****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9043	03/10/03 68 FR 11313

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None**Agency Contact:** Nina E. Chowhdry  
Phone: 202 622-3880**RIN:** 1545–AY26**2845. DISCLOSURE OF RETURN  
INFORMATION TO OFFICERS AND  
EMPLOYEES OF THE DEPARTMENT  
OF COMMERCE FOR CERTAIN  
STATISTICAL PURPOSES AND  
RELATED ACTIVITIES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9037	01/21/03 68 FR 2691

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** Federal**Agency Contact:** Christine S. Irwin  
Phone: 202 622-4570**RIN:** 1545–AY52**2846. OBLIGATION OF STATES AND  
POLITICAL SUBDIVISIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9016	09/23/02 67 FR 59756

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** State,  
Local**Agency Contact:** Rose M. Weber  
Phone: 202 622-3980  
Fax: 202 622-4437**RIN:** 1545–AY71**2847. DISCLOSURE OF RETURNS  
AND RETURN INFORMATION BY  
OTHER AGENCIES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9036	01/21/03 68 FR 2695

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** Federal**Agency Contact:** Julie C. Schwartz  
Phone: 202 622-4570**RIN:** 1545–AY77**2848. EXCISE TAX IMPOSED ON  
FOREIGN INSURERS OR  
REINSURERS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9024	11/27/02 67 FR 70845

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None**Agency Contact:** David L. Lundy  
Phone: 202 622-3880**RIN:** 1545–AY93**2849. CONSOLIDATED RETURN  
INTERCOMPANY TRANSACTION  
RULES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 446**Completed:**

Reason	Date
Final Action Completed by TD 9025	12/16/02 67 FR 76985

**Regulatory Flexibility Analysis  
Required:** No**Government Levels Affected:** None**Agency Contact:** Vincent Daly  
Phone: 202 622-7770**RIN:** 1545–BA05

## TREAS—IRS

## Completed Actions

**2850. NOTICE OF SIGNIFICANT REDUCTION IN THE RATE OF FUTURE BENEFIT ACCRUAL****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1; 26 CFR 54; 26 CFR 602**Completed:**

Reason	Date
Final Action Completed by TD 9052	04/09/03 68 FR 17217

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Pamela R. Kinard  
Phone: 202 622-6060**RIN:** 1545-BA08**2851. UNIT LIVESTOCK PRICING METHOD****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9019	10/28/02 67 FR 65697

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** A. Katharine Kiss  
Phone: 202 622-4930**RIN:** 1545-BA25**2852. GUIDANCE REGARDING FOREIGN PERSONAL HOLDING COMPANY INCOME****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9039	01/31/03 68 FR 4916

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Kenneth P. Christman  
Phone: 202 622-3870**RIN:** 1545-BA33**2853. TRANSFERS OF C CORPORATION PROPERTY TO RICS OR REITS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9047	03/18/03 68 FR 12817

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** Federal**Agency Contact:** Jennifer D. Sledge  
Phone: 202 622-7750**RIN:** 1545-BA36**2854. WITHHOLDING AT TREATY RATE EXCEPTION FOR TAXPAYER IDENTIFYING NUMBER****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9023	11/22/02 67 FR 70310

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Jonathan A. Sambur  
Phone: 202 622-3840**RIN:** 1545-BA38**2855. INFORMATION REPORTING FOR QUALIFIED TUITION AND RELATED EXPENSES; MAGNETIC MEDIA FILING REQUIREMENTS FOR INFORMATION RETURNS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1; 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9029	12/19/02 67 FR 77678

**Regulatory Flexibility Analysis****Required:** Yes**Government Levels Affected:** None**Agency Contact:** Donna J. Welch  
Phone: 202 622-4910  
Fax: 202 927-9248**RIN:** 1545-BA43**2856. DETERMINATION OF BASIS OF PARTNER'S INTEREST; SPECIAL RULES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9049	03/18/03 68 FR 12815

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Barbara Campbell  
Phone: 202 622-3050**RIN:** 1545-BA50**2857. LOW-INCOME TAXPAYER CLINICS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9026	12/18/02 67 FR 77418

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Brinton T. Warren  
Phone: 202 622-4940**Related RIN:** Related To 1545-AY84**RIN:** 1545-BA95**2858. DESIGNATED IRS OFFICER OR EMPLOYEE (TEMPORARY)****Priority:** Routine and Frequent**CFR Citation:** 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9015	09/10/02 67 FR 57330

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Elizabeth D. Rawlins  
Phone: 202 622-3630**Related RIN:** Related To 1545-BA89**RIN:** 1545-BA98

## TREAS—IRS

## Completed Actions

**2859. REDUCED EXCLUSION OF GAIN FROM SALE OR EXCHANGE OF PRINCIPAL RESIDENCE (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9031	12/24/02 67 FR 78367

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Sara P. Shepherd  
Phone: 202 622-4960**Related RIN:** Related To 1545-BB01**RIN:** 1545-BB02**2860. PENALTIES FOR UNAUTHORIZED INSPECTION OF RETURNS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9044	03/12/03 68 FR 11739

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Carol A. Marchant  
Phone: 202 622-4590**RIN:** 1545-BB13**2861. SUBSTANTIATION OF INCIDENTAL EXPENSES (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9020	11/12/02 67 FR 68512

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Sameera Y. Hasan  
Phone: 202 622-4930**Related RIN:** Related To 1545-BB20**RIN:** 1545-BB19**2862. STRUCTURED SETTLEMENT FACTORING TRANSACTIONS (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1; 26 CFR 602**Completed:**

Reason	Date
Final Action Completed by TD 9042	02/19/03 68 FR 7922

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Shareen S. Pflanz  
Phone: 202 622-4920**Related RIN:** Related To 1545-BB14**RIN:** 1545-BB24**2863. TAX SHELTER DISCLOSURE STATEMENTS (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9017	10/22/02 67 FR 64799
Public Hearing	12/11/02

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Tara P. Volungis  
Phone: 202 622-3080**Related RIN:** Related To 1545-AX81,  
Related To 1545-BA62**RIN:** 1545-BB32**2864. REQUIREMENT TO MAINTAIN LIST OF INVESTORS IN POTENTIALLY ABUSIVE TAX SHELTERS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Completed:**

Reason	Date
Final Action Completed by TD 9018	10/22/02 67 FR 64807

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Charlotte Chyr

Phone: 202 622-3070

**Related RIN:** Related To 1545-AX79,  
Related To 1545-BA62**RIN:** 1545-BB33**2865. ISSUES RELATING TO CERTAIN FOREIGN CORPORATIONS AND PARTNERSHIPS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date
Final Action Completed by TD 9033	12/23/02 67 FR 78174

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Tasheaya Warren  
Ellison

Phone: 202 622-3860

**RIN:** 1545-BB36**2866. • INFORMATION REPORTING FOR TAXABLE STOCK TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6043(c)**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** Information reporting by corporations is currently authorized by section 6043(c) of the Internal Revenue Code with respect to changes in control and changes in capital structure. Temporary regulations will set forth requirements for such reporting by corporations, requiring both a return describing the transaction and Forms 1099 reporting amounts received by shareholders.**Timetable:**

Action	Date
Final Action Completed by TD 9022	11/18/02 67 FR 69468

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** REG-143321-02

Drafting attorney: Nancy L. Rose (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

## TREAS—IRS

## Completed Actions

CC:PA:APJP

**Agency Contact:** Nancy L. Rose, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**Related RIN:** Related To 1545-BB60**RIN:** 1545-BB40**2867. • STATUTORY MERGERS AND CONSOLIDATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The final regulations are the effective rules with respect to statutory mergers and consolidations under Internal Revenue Code section 368(a)(1)(A) for transactions up until January 24, 2003 (the date for which temporary regulations were published defining the term statutory merger or consolidation).

**Timetable:**

Action	Date
Final Action Completed by TD 9038	01/24/03 68 FR 3384

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-162729-02

Drafting attorney: Richard M. Heinecke (202) 622-7930

Reviewing attorney: Reginald Mombrun (202) 622-7930

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP

RIN 1545-BB46 and its corresponding number REG-162729-02 are with respect to final regulations published simultaneously with temporary regulations. Since final and temporary regulations cannot simultaneously apply, RIN 1545-BB46 was utilized to reflect that the final regulation would close when the temporary regulation was issued. The temporary regulations and the proposed regulations both used the REG-126485-01 number and RIN 1545-BA06. When the temporary regulations were published on January

24, 2003, the final regulation (REG-162729-02; RIN 1545-BB46) was closed.

**Agency Contact:** Richard M. Heinecke, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

**Related RIN:** Related To 1545-BA06**RIN:** 1545-BB46**2868. • DISCLOSURE STATEMENTS FOR EMPLOYMENT TAX****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6011**CFR Citation:** 26 CFR 31**Legal Deadline:** None

**Abstract:** This regulation will tell taxpayers that listed transactions must be disclosed in accordance with published guidance.

**Timetable:**

Action	Date
NPRM	10/22/02 67 FR 64840
Final Action Completed by TD 9046	03/04/03 68 FR 10161

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-154115-02

Drafting attorneys: Tara P. Volungis (202) 622-3080 and Charlotte Chyr (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3080

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

Charlotte Chyr, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**Related RIN:** Related To 1545-AW26, Related To 1545-AX79, Related To 1545-AX81, Related To 1545-BB49, Related To 1545-BB50

**RIN:** 1545-BB48**2869. • DISCLOSURE STATEMENTS FOR ESTATE TAX****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6011**CFR Citation:** 26 CFR 20**Legal Deadline:** None

**Abstract:** This regulation will tell taxpayers that listed transactions must be disclosed in accordance with published guidance.

**Timetable:**

Action	Date
NPRM	10/22/02 67 FR 64840
Final Action Completed by TD 9046	03/04/03 68 FR 10161

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-154117-02

Drafting attorneys: Tara P. Volungis (202) 622-3080 and Charlotte Chyr (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3080

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

Charlotte Chyr, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**Related RIN:** Related To 1545-BB48, Related To 1545-BB50, Related To 1545-AX81, Related To 1545-AW26, Related To 1545-AX79

**RIN:** 1545-BB49**2870. • DISCLOSURE STATEMENTS FOR GIFT TAX****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6011**CFR Citation:** 26 CFR 25**Legal Deadline:** None

**Abstract:** This regulation will tell taxpayers that listed transactions must



## TREAS—IRS

## Completed Actions

be disclosed in accordance with published guidance.

**Timetable:**

Action	Date
NPRM	10/22/02 67 FR 64840
Final Action	03/04/03 68 FR 10161
Completed by TD 9046	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-154116-02

Drafting attorneys: Tara P. Volungis (202) 622-3080 and Charlotte Chyr (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3080

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

Charlotte Chyr, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**Related RIN:** Related To 1545-AW26, Related To 1545-AX79, Related To 1545-AX81, Related To 1545-BB49, Related To 1545-BB51

**RIN:** 1545-BB50

**2871. • DISCLOSURE STATEMENTS FOR PENSION EXCISE TAXES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 54

**Legal Deadline:** None

**Abstract:** This regulation will require that listed transactions be disclosed in accordance with published guidance.

**Timetable:**

Action	Date
NPRM	10/22/02 67 FR 64840
Final Action	03/04/03 68 FR 10161
Completed by TD 9046	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-154423-02

Drafting attorneys: Tara P. Volungis (202) 622-3080 and Charlotte Chyr (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3070

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

Charlotte Chyr, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**Related RIN:** Related To 1545-AX79, Related To 1545-AX81, Related To 1545-AW26, Related To 1545-BB50, Related To 1545-BB53

**RIN:** 1545-BB51

**2872. • DISCLOSURE STATEMENTS FOR PUBLIC CHARITY EXCISE TAXES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 UCS 7805

**CFR Citation:** 26 CFR 56

**Legal Deadline:** None

**Abstract:** This regulation will require that listed transactions be disclosed in accordance with published guidance.

**Timetable:**

Action	Date
NPRM	10/22/02 67 FR 64840
Final Action	03/04/03 68 FR 10161
Completed by TD 9046	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-154426-02

Drafting attorneys: Tara P. Volungis (202) 622-3080 and Charlotte Chyr (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3070

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

Charlotte Chyr, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**Related RIN:** Related To 1545-AX79, Related To 1545-AX81, Related To 1545-AW26, Related To 1545-BB51, Related To 1545-BB53

**RIN:** 1545-BB52

**2873. • DISCLOSURE STATEMENTS FOR FOUNDATION EXCISE TAXES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 53

**Legal Deadline:** None

**Abstract:** This regulation will require that listed transactions be disclosed in accordance with published guidance.

**Timetable:**

Action	Date
NPRM	10/22/02 67 FR 64840
Final Action	03/04/03 68 FR 10161
Completed by TD 9046	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-154429-02

Drafting attorneys: Tara P. Volungis (202) 622-3080 and Charlotte Chyr (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3070

Treasury attorney: Julian Kim (202) 622-1981

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

Charlotte Chyr, Attorney-Advisor, Department of the Treasury, Internal

## TREAS—IRS

## Completed Actions

Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**Related RIN:** Related To 1545-AW26, Related To 1545-AX81, Related To 1545-BB49, Related To 1545-BB48, Related To 1545-BB51

**RIN:** 1545-BB53

### 2874. • TAXPAYER IDENTIFICATION NUMBER (TIN) MATCHING PROGRAM (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 3406

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** This temporary regulation relates to the taxpayer identification number (TIN) matching program under section 3406. In order to specifically allow a payor's authorized agent to participate in TIN matching, these regulations provide that the term "payor" includes an agent designated by the payor to participate in TIN Matching.

#### Timetable:

Action	Date
Final Action Completed by TD 9041	01/31/03 68 FR 4922

### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-116641-01

Drafting attorney: Donna J. Welch (202) 622-4910

Reviewing attorney: John McGreevy (202) 622-4910

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJP

**Agency Contact:** Donna J. Welch, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910  
Fax: 202 927-9248

**Related RIN:** Related To 1545-BA17

**RIN:** 1545-BB88

### 2875. • GUIDANCE UNDER SECTION 1502: SUSPENSION OF LOSSES ON CERTAIN STOCK DISPOSITIONS (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The temporary regulations under section 1502 redetermine the basis of stock of a subsidiary member of a consolidated group immediately prior to certain transfers of such stock and certain deconsolidation of a subsidiary member. The temporary regulations also suspend certain losses recognized on the disposition of such stock. The regulations apply to corporations filing consolidated returns.

#### Timetable:

Action	Date
Final Action Completed by TD 9048	03/14/03 68 FR 12287

### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-131478-02

Drafting attorney: Aimee K. Meacham (202) 622-7530

CC:CORP

**Agency Contact:** Aimee K. Meacham, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**RIN:** 1545-BB95

**BILLING CODE** 4830-01-S

## Department of the Treasury (TREAS)

## Prerule Stage

### Office of Thrift Supervision (OTS)

### 2876. CAPITAL RULES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1462; 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1835; 12 USC 1848; 12 USC 4808

**CFR Citation:** 12 CFR 567

**Legal Deadline:** None

**Abstract:** OTS has underway a number of regulatory amendments to its capital standards for savings associations. These amendments implement section 303 of the Riegle Community Development and Regulatory Improvement Act of 1994 (CDRIA). CDRIA requires the Federal banking agencies to make their capital rules and other rules more uniform.

The agencies plan to issue either an advance notice of proposed rulemaking

(ANPRM) or a notice of proposed rulemaking (NPRM) that would introduce the domestic implementation of the New Basel Capital Accord (Basel II). This would include an introduction to an advanced internal ratings-based (IRB) approach to credit risk, and may include modifications to the current U.S. domestic capital framework.

#### Timetable:

**Implementation of a Revised Basel Capital Accord (formerly Modified Domestic Capital Framework)**  
ANPRM 07/00/03

### Regulatory Flexibility Analysis

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Michael D. Solomon, Senior Program Manager for Capital Policy, Supervision Policy, Department

of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-5654

Teresa Scott, Counsel (Banking and Finance), Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6478  
Fax: 202 905-6518  
Email: teresa.scott@ots.treas.gov

David Riley, Project Manager for Capital Policy, Supervision Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6669

**RIN:** 1550-AB11

**Department of the Treasury (TREAS)**  
**Office of Thrift Supervision (OTS)**

Final Rule Stage

**2877. • REMOVAL, SUSPENSION, AND DEBARMENT OF ACCOUNTANTS FROM PERFORMING AUDIT SERVICES**
**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1813; 12 USC 1831m; 15 USC 78

**CFR Citation:** 12 CFR 513

**Legal Deadline:** None

**Abstract:** The OCC, Board, FDIC, and OTS (the Agencies) propose to revise their respective rules of practice pursuant to section 36 of the Federal Deposit Insurance Act (FDIA) (12 USC 1831m). Section 36, as implemented by 12 CFR part 363, requires that each insured depository institution with total assets of \$500 million or more produce an annual report containing the institution's financial statements and certain management assessments. The depository institution must provide the report to the FDIC, the appropriate Federal banking agency, and any appropriate State bank supervisor. Section 36 also requires that the depository institution obtain an audit

of its financial statements and an attestation on management's assertions concerning internal controls over financial reporting by an independent public accountant (accountant) and include the accountant's audit and attestation reports in its annual report.

Congress gave the Agencies authority to remove, suspend, or debar accountants from performing the audit services required by section 36 if there is good cause to do so. This proposal would amend the Agencies' rules to establish rules of practice and procedure for the removal, suspension, and debarment of accountants and their firms from performing section 36 audit services for insured depository institutions. The proposal reflects the Agencies' increasing concern with the quality of audits and internal controls for financial reporting at insured depository institutions. Although there have been few bank and thrift failures in recent years, the circumstances of the failures that have occurred illustrate the importance of maintaining high quality in the audits of the financial position and attestations of management assessments of insured depository institutions. The proposed

regulations enhance the Agencies' ability to address misconduct by accountants who perform annual audit and attestation services.

**Timetable:**

Action	Date
NPRM	01/08/03 68 FR 1116
Correction	01/31/03 68 FR 4967
Correction	01/31/03 68 FR 5075
Final Rule	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Christine Smith, Project Manager (Supervision Policy), Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-5740

Teresa Scott, Counsel (Banking and Finance), Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6478  
Fax: 202 905-6518  
Email: teresa.scott@ots.treas.gov

**RIN:** 1550-AB53

**Department of the Treasury (TREAS)**  
**Office of Thrift Supervision (OTS)**

Long-Term Actions

**2878. DIRECTORS AND OFFICERS**
**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 545; 12 CFR 563

**Timetable:**

Action	Date
NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robyn Dennis  
Phone: 202 906-5751

David A. Permut  
Phone: 202 906-7505

Karen Osterloh  
Phone: 202 906-6639

**RIN:** 1550-AB19

**Timetable:**

Action	Date
NPRM	10/20/00 65 FR 63120
NPRM Comment Period End	12/04/00
NPRM Update	03/27/01 66 FR 16624
Second NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Cindy Baltierra  
Phone: 202 906-6540

Paul Robin  
Phone: 202 906-6648

**RIN:** 1550-AB33

**2880. COMMUNITY REINVESTMENT ACT**
**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 563e

**Timetable:**

Action	Date
Joint ANPRM	07/19/01 66 FR 37602
Joint ANPRM Comment Period End	10/17/01
Joint NPRM	To Be Determined

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Richard Bennett  
Phone: 202 906-7409

Theresa A. Stark  
Phone: 202 906-7054

Celeste Anderson  
Phone: 202 906-7990

**RIN:** 1550-AB48

**2879. FAIR CREDIT REPORTING**
**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 571

**Department of the Treasury (TREAS)**  
**Office of Thrift Supervision (OTS)**
**Completed Actions**
**2881. RECORDKEEPING AND CONFIRMATION REQUIREMENTS FOR SECURITIES TRANSACTIONS; FIDUCIARY POWERS OF SAVINGS ASSOCIATIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 550; 12 CFR 551

**Completed:**

Reason	Date
Final Rule	12/12/02 67 FR 76293

**Regulatory Flexibility Analysis Required:** Yes

**Government Levels Affected:** State, Federal

**Federalism:** This action may have federalism implications as defined in EO 13132.

**Agency Contact:** Timothy Leary  
Phone: 202 906-7170

Judi McCormick  
Phone: 202 906-5636

**RIN:** 1550-AB49

**2882. REGULATORY REPORTING STANDARDS: QUALIFICATIONS FOR INDEPENDENT PUBLIC ACCOUNTS PERFORMING AUDIT SERVICES FOR VOLUNTARY AUDIT FILERS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 562

**Completed:**

Reason	Date
Interim Final Rule	11/25/02 67 FR 70529
Correction	12/10/02 67 FR 75809
Interim Final Rule	01/27/03
Comment Period	
End	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

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**RIN:** 1550-AB54

**2883. • SAVINGS ASSOCIATIONS— OPERATIONS; TRANSACTIONS WITH AFFILIATES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1462; 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1468; 12 USC 1817; 12 USC 1820; 12 USC 1828; 12 USC 1831o; 12 USC 375b; 12 USC 3806; 42 USC 4106; 44 USC 3501 et seq.

**CFR Citation:** 12 CFR 506; 12 CFR 559; 12 CFR 562; 12 CFR 563

**Legal Deadline:** None

**Abstract:** The Office of Thrift Supervision (OTS) revised its

regulations on transactions with affiliates. This interim final rule conformed OTS' regulations to the Board of Governors of the Federal Reserve System's (FRB) final rule implementing sections 23A and 23B of the Federal Reserve Act (FRA). The FRB rule (Regulation W) combines statutory restrictions on transactions with affiliates with new and existing interpretations and exemptions.

**Timetable:**

Action	Date
Interim Final Rule	12/20/02 67 FR 77909
Interim Final Rule	02/18/03
Comment Period	
End	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

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**RIN:** 1550-AB55

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