



# Federal Register

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**Monday,  
June 28, 2004**

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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:** The Agency Contact identified in the item relating to that regulation.

**SUPPLEMENTARY INFORMATION:** On November 25, 2002, the President signed the Homeland Security Act of 2002 (the Act), establishing the Department of Homeland Security (DHS). The Act transferred the U.S. Customs Service from the Department of

the Treasury to the DHS, where it is now known as the Bureau of Customs and Border Protection. Notwithstanding the transfer of the Customs Service to DHS, the Act provides that the Secretary of the Treasury retains sole legal authority over the customs revenue functions, and authorizes the Secretary to delegate any of this retained authority to the Secretary of Homeland Security. By Treasury Department Order No. 100-16, the Secretary of the Treasury delegated to the Secretary of Homeland Security authority to prescribe regulations pertaining to the customs revenue functions. This Order further provided that the Secretary of the Treasury retained the sole authority to approve any such regulations concerning import quotas or trade bans; user fees; marking and labeling; copyright and trademark enforcement; and the completion of entry or substance of entry summary, including duty assessment and collection, classification, valuation, application of the U.S. Harmonized Schedules, eligibility or requirements for

preferential trade programs, and the establishment of recordkeeping requirements. Accordingly, these regulations are now listed in the semiannual regulatory agenda of the Departmental Offices of the Department of the Treasury. Because of limitations in the computer software used to prepare the agenda, the agency information under the heading "For Further Information Contact" for these regulations incorrectly indicates the Bureau of Customs and Border Protection contact person is an employee of the Department of the Treasury rather than the Department of Homeland Security.

The semiannual agenda and The Regulatory Plan of the Department of the Treasury conform to the Unified Agenda format developed by the Regulatory Information Service Center (RISC).

**Dated:** May 28, 2004.

**Richard S. Carro,**

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

Departmental Offices—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2366	Amendments to the Government Securities Act Regulations: Exemption for Holdings Subject to Fiduciary Standards .....	1505-AB06
2367	Terrorism Risk Insurance Program; Litigation Management .....	1505-AB08
2368	Terrorism Risk Insurance Program; Additional Claims Issues .....	1505-AB09
2369	Textiles and Textile Products Subject to Textile Trade Agreements .....	1505-AB13
2370	Liquidation; Extension; Suspension .....	1505-AB14
2371	19 CFR 12 Detention, Seizure, and Forfeiture of "Bootleg" Sound Recording and Music Videos of Live Musical Performances .....	1505-AB15
2372	19 CFR 142 Reconciliation .....	1505-AB16
2373	19 CFR 111 Remote Location Filing .....	1505-AB20
2374	Uniform Rules of Origin .....	1505-AB49
2375	Recordation of Copyrights and Enforcement Procedures To Prevent Importation of Piratical Articles .....	1505-AB51
2376	Revision of Outbound Redelivery Procedures and Liabilities .....	1505-AB52
2377	19 CFR 101 Centralization of the Continuous Bond Program at the CBP National Finance Center .....	1505-AB54

Departmental Offices—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2378	12 CFR 1805 Community Development Financial Institutions (CDFI) Program .....	1505-AA92
2379	17 CFR 403.4 Amendments to the Government Securities Act Regulations: Customer Protection-Reserves and Custody of Securities .....	1505-AA94
2380	31 CFR 501 Reporting and Procedures Regulations; Cuban Assets Control Regulations: Publication of Economic Sanctions Enforcement Guidelines .....	1505-AA95
2381	31 CFR 1.8 to 1.12 Disclosure of Records in Litigation .....	1505-AA97
2382	Terrorism Risk Insurance Program; Initial Claims Procedure Requirements .....	1505-AB07
2383	19 CFR 4 Harbor Maintenance Fee .....	1505-AB11

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## Departmental Offices—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2384	Donated Cargo Exemption From Harbor Maintenance Fee .....	1505-AB12
2385	19 CFR 181 North American Free Trade Agreement (NAFTA)—Implementation of Duty-Deferral Program Provisions .....	1505-AB17
2386	Country-of-Origin Marking .....	1505-AB21
2387	Expanded Methods of Payment of Duties, Taxes, Interest, and Fees .....	1505-AB22
2388	19 CFR 4 User and Navigation Fees; Other Reimbursable Charges .....	1505-AB24
2389	19 CFR 10 African Growth and Opportunity Act and Generalized System of Preferences .....	1505-AB26
2390	Expanded Weekly Entry Procedure for Foreign Trade Zones .....	1505-AB27
2391	19 CFR 10 United States-Caribbean Basin Trade Partnership Act and Caribbean Basin Initiative .....	1505-AB28
2392	19 CFR 24 Reimbursable Customs Inspectional Services—Increase in Hourly Rate Charge .....	1505-AB29
2393	19 CFR 12 Dog and Cat Protection Act .....	1505-AB31
2394	19 CFR 10 Prototypes Used Solely For Product Development, Testing, Evaluation, or Quality Control Purposes ...	1505-AB32
2395	19 CFR 10 Preferential Treatment of Brassieres Under the United States-Caribbean Basin Trade Partnership Act	1505-AB33
2396	19 CFR 141 Single Entry for Unassembled or Disassembled Entities Imported on Multiple Conveyances .....	1505-AB34
2397	19 CFR 10 Implementation of the Andean Trade Promotion and Drug Eradication Act .....	1505-AB37
2398	Trade Benefits Under the African Growth and Opportunity Act .....	1505-AB38
2399	19 CFR 24 Fees for Customs Processing at Express Courier Facilities .....	1505-AB39
2400	Trade Benefits Under the Caribbean Basin Economic Recovery Act .....	1505-AB40
2401	Tariff Treatment Related to Disassembly Operations Under the North American Free Trade Agreement (NAFTA) ...	1505-AB41
2402	Merchandise Processing Fees Eligible to be Claimed as Certain Types of Drawback Based on Substitution of Finished Petroleum Derivatives .....	1505-AB44
2403	19 CFR 10 United States - Chile Free Trade Agreement .....	1505-AB47
2404	19 CFR 10 United States - Singapore Free Trade Agreement .....	1505-AB48

## Departmental Offices—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2405	31 CFR ch II Possible Regulation of Access to Accounts at Financial Institutions Through Payment Service Providers .....	1505-AA74
2406	Financial Activities of Financial Subsidiaries .....	1505-AA80
2407	Financial Subsidiaries .....	1505-AA81
2408	12 CFR 1501.2 Secretary's Determination of Real Estate Brokerage .....	1505-AA84
2409	12 CFR 1501.2 Secretary's Determination of Other Activities Financial in Nature .....	1505-AA85
2410	12 CFR 1806 Bank Enterprise Award (BEA) Program .....	1505-AA91
2411	Terrorism Risk Insurance Program; Recoupments of Federal Share of Compensation for Insured Losses .....	1505-AB10
2412	19 CFR 12 Entry of Softwood Lumber Shipments From Canada .....	1505-AB18
2413	Entry of Softwood Lumber Shipments From Canada .....	1505-AB23

## Departmental Offices—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2414	31 CFR 19 Common Rule Suspension and Debarment .....	1505-AA86
2415	31 CFR 5 Treasury Debt Collection .....	1505-AA90
2416	12 CFR 1805 Community Development Financial Institutions (CDFI) Program; Reporting Requirements .....	1505-AA93
2417	19 CFR 142 Requirements for Future Customs Transactions When Payment To Customs on Prior Transactions is Delinquent and/or Dishonored .....	1505-AB25
2418	Refund of Duties Paid on Imports of Certain Wool Products .....	1505-AB43
2419	Import Restrictions Imposed on Archaeological Material Originating in Honduras .....	1505-AB50

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## Financial Crimes Enforcement Network—Prerule Stage

Sequence Number	Title	Regulation Identifier Number
2420	Customer Identification Programs for Pawn Brokers .....	1506-AA39

## Financial Crimes Enforcement Network—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2421	31 CFR 103 Amendment to the Bank Secrecy Act Regulations—Delegation of Authority To Assess Civil Money Penalties on Depository Institutions .....	1506-AA08
2422	Customer Identification Programs for Travel Agents .....	1506-AA38
2423	Customer Identification Programs for Loan and Finance Companies .....	1506-AA40
2424	Customer Identification Programs for Sellers of Vehicles .....	1506-AA41
2425	Imposition of Special Measures Against a Financial Institution and Its Subsidiaries as a Financial Institution of Primary Money Laundering Concern .....	1506-AA65
2426	Imposition of Special Measures Against a Financial Institution as a Financial Institution of Primary Money Laundering Concern .....	1506-AA67
2427	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Travel Agencies .....	1506-AA69
2428	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Loan and Finance Companies .....	1506-AA73
2429	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Persons Involved in Real Estate Closings and Settlements .....	1506-AA79
2430	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Businesses Engaged in Vehicle Sales, Including Automobiles, Airplane, and Boat Sales .....	1506-AA80

## Financial Crimes Enforcement Network—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2431	31 CFR 103 Amendment to the Bank Secrecy Act Regulations Regarding Reporting of Cross-Border Transportation of Certain Monetary Instruments .....	1506-AA15
2432	31 CFR 103 Amendment to the Bank Secrecy Act Regulations—Exemptions From the Requirement To Report Transactions in Currency .....	1506-AA23
2433	31 CFR 103.30 Amendment to the Bank Secrecy Act Regulations—Requirement that Nonfinancial Trades or Businesses Report Certain Currency Transactions .....	1506-AA25
2434	31 CFR 103.175-103.178 Due Diligence Requirements for Correspondent Accounts and Private Banking Accounts .....	1506-AA29
2435	31 CFR 103.121 Customer Identification Programs for Banks, Savings Associations, and Credit Unions .....	1506-AA31
2436	31 CFR 103.16 Financial Crimes Enforcement Network; Amendment to the Bank Secrecy Act Regulations Requirement That Insurance Companies Report Suspicious Transactions .....	1506-AA36
2437	31 CFR 103.15 Amendment to the Bank Secrecy Act Regulations—Requirement That Mutual Funds Report Suspicious Transactions .....	1506-AA37
2438	31 CFR 103.184 Imposition of Special Measures Against the Country of Nauru .....	1506-AA43
2439	Financial Crimes Enforcement; Amendments to the Bank Secrecy Act Regulations—Nomenclature Changes .....	1506-AA61
2440	Imposition of Special Measures Against the Commercial Bank of Syria as a Financial Institution of Primary Money Laundering Concern .....	1506-AA64
2441	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Mutual Funds .....	1506-AA68
2442	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Insurance Companies .....	1506-AA70
2443	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Investment Advisors .....	1506-AA71
2444	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Financial Institutions .....	1506-AA72
2445	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Money Services Businesses .....	1506-AA74

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## Financial Crimes Enforcement Network—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2446	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Commodity Trading Advisors .....	1506-AA75
2447	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Operators of a Credit Card System .....	1506-AA76
2448	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Unregistered Investment Companies .....	1506-AA77
2449	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Dealers in Precious Metals, Stones, or Jewels .....	1506-AA78

## Financial Crimes Enforcement Network—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2450	31 CFR 103 Amendments to the Bank Secrecy Act Regulations—Special Reporting and Recordkeeping Requirements—Money Services Businesses (MSBs) .....	1506-AA19

## Financial Crimes Enforcement Network—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2451	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Requirement That Financial Institutions Establish Anti-Money Laundering Programs .....	1506-AA28
2452	31 CFR 103.56 Financial Crimes Enforcement Network; Delegation of Enforcement Authority Regarding the Foreign Bank Account Report Requirements .....	1506-AA45
2453	Imposition of Special Measures Against Myanmar Mayflower Bank and Asia Wealth Bank .....	1506-AA63

## Financial Management Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2454	31 CFR 245 Claims on Account of Treasury Checks .....	1510-AA51
2455	31 CFR 206 Management of Federal Agency Receipts and Disbursements; Operation of the Cash Management Improvement Fund .....	1510-AA86
2456	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 Identifier Number
2457	31 CFR 281 Foreign Exchange Operations .....	1510-AA48
2458	31 CFR 256 Payments Under Judgment and Private Relief Acts .....	1510-AA52
2459	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
2460	31 CFR 285.7 Salary Offset .....	1510-AA70
2461	31 CFR 285.8 Offset of Tax Refund Payment To Collect State Income Tax Obligations .....	1510-AA78
2462	31 CFR 901.9 Federal Claims Collection Standard—Collection by Installments .....	1510-AA91
2463	Federal Government Participation in the Automated Clearing House (ACH) .....	1510-AA98
2464	Indorsement and Payment of Checks Drawn on the U.S. Treasury .....	1510-AA99

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## Financial Management Service—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2465	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
2466	31 CFR 285.14 Public Dissemination of Identity of Delinquent Debtors .....	1510-AA72
2467	31 CFR 223 Surety Bond Reimbursement Fund .....	1510-AA85
2468	Payment of Federal Taxes and the Treasury Tax and Loan Program .....	1510-AA96
2469	Federal Government Participation in the Automated Clearing House (ACH) .....	1510-AA97

## Financial Management Service—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2470	31 CFR 240 Indorsement and Payment of Checks Drawn on the U.S. Treasury .....	1510-AA45
2471	31 CFR 203 Payment of Federal Taxes and the Treasury Tax and Loan Program .....	1510-AA79

## Alcohol and Tobacco Tax and Trade Bureau—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2472	27 CFR 7 Revision of Brewery Regulations and Issuance of Regulations for Taverns on Brewery Premises (Brewpubs) .....	1513-AA02
2473	27 CFR 270 Determination of Tax and Recordkeeping on Large Cigars .....	1513-AA16
2474	27 CFR 19, subpart W Proposed Revisions to the Distilled Spirits Plant Regulations .....	1513-AA23
2475	27 CFR 9 Petition To Establish the "Santa Barbara Highlands" Viticultural Area .....	1513-AA24
2476	27 CFR 44 Regulatory Changes From Customs Service Final Rule .....	1513-AA26
2477	27 CFR 40 Shipments of Tobacco Products or Cigarette Papers or Tubes Without Payment of Tax .....	1513-AA27
2478	27 CFR 17 Tax-Paid Distilled Spirits Used in Manufacturing Products Unfit for Beverage Use .....	1513-AA37
2479	27 CFR 4 Proposed Addition of New Grape Variety Names for American Wines .....	1513-AA42
2480	27 CFR 40 Marks, Labels, Notices and Bonds for, and Removal of, Tobacco Products, and Cigarette Papers and Tubes .....	1513-AA49
2481	27 CFR 9 Petition To Establish "Santa Maria Bench" as a New American Viticultural Area .....	1513-AA51
2482	27 CFR 40 In-Transit Stops of Tobacco Products, and Cigarette Papers and Tubes Without Payment of Tax .....	1513-AA52
2483	27 CFR 9 Petition To Expand the Livermore Valley Viticultural Area .....	1513-AA54
2484	27 CFR 9 San Francisco Bay and Central Coast Viticultural Areas—Boundary Realignment/Expansion .....	1513-AA55
2485	Petition To Establish the "Fort Ross Seaview" Viticultural Area .....	1513-AA64
2486	Petition To Establish the "Alexander Mountain" Viticultural Area .....	1513-AA65
2487	27 CFR 9 Petition To Establish "Grand Lake O' the Cherokees" as a New American Viticultural Area .....	1513-AA66
2488	Petition No. 2 To Expand the Russian River Valley Viticultural Area .....	1513-AA67
2489	Petition To Establish the "Shawnee Hills" Viticultural Area .....	1513-AA70
2490	Proposed Amended Boundaries for the Santa Lucia Highlands and the Arroyo Seco Viticultural Area .....	1513-AA72
2491	Petition To Establish "Texoma" As a Viticultural Area .....	1513-AA77
2492	Petition To Establish the "High Valley" Viticultural Area .....	1513-AA79
2493	Proposed Establishment of Alta Mesa Viticultural Area .....	1513-AA82
2494	Proposed Establishment of the Cosumnes River Viticultural Area .....	1513-AA83
2495	Proposed Establishment of Deer Creek Hills Viticultural Area .....	1513-AA84
2496	Proposed Establishment of Mokelumne River Viticultural Area .....	1513-AA85
2497	Proposed Establishment of Jahant Viticultural Area .....	1513-AA86
2498	Proposed Establishment of Borden Ranch Viticultural Area .....	1513-AA87
2499	Proposed Establishment of Clements Hills Viticultural Area .....	1513-AA88
2500	Proposed Establishment of the Mt. Oso Viticultural Area .....	1513-AA89
2501	Proposed Establishment of Covelo Viticultural Area .....	1513-AA90
2502	Proposed Establishment of Horse Heaven Hills .....	1513-AA91
2503	Petition to Establish "Calistoga" As an American Viticultural Area .....	1513-AA92
2504	Ramona Valley Viticultural Area .....	1513-AA94
2505	Dos Rios Viticultural Area .....	1513-AA95

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## Alcohol and Tobacco Tax and Trade Bureau—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2506	27 CFR 9 Petition To Establish "Alexandria Lakes" as a New American Viticultural Area .....	1513-AA45
2507	Administrative Changes to Alcohol, Tobacco, and Firearms Regulations Due to the Homeland Security Act of 2002 .....	1513-AA80
2508	27 CFR 275 Implementation of Public Law 105-33, Section 9302, Requiring the Qualification of Tobacco Product Importers and Miscellaneous Technical Amendments .....	1513-AA10
2509	27 CFR 7 Flavored Malt Beverages and Related Proposals .....	1513-AA12
2510	27 CFR 275 Tobacco Products and Cigarette Papers and Tubes Shipped from Puerto Rico to the United States ...	1513-AA17
2511	27 CFR 270 Elimination of Statistical Classes for Large Cigars .....	1513-AA18
2512	27 CFR 31 Liquor Dealers; Recodification of Regulations .....	1513-AA19
2513	27 CFR 41 Importation of Tobacco Products and Cigarette Papers and Tubes; Recodification of Regulations .....	1513-AA20
2514	27 CFR 24 Production of Dried Fruit and Honey Wines .....	1513-AA21
2515	27 CFR 9 Proposed "San Bernabe" Viticultural Area .....	1513-AA28
2516	27 CFR 9 Petition To Establish the "Trinity Lake" Viticultural Area .....	1513-AA29
2517	27 CFR 4 Proposal To Recognize Synonyms for Petite Sirah and Zinfandel Grape Varieties .....	1513-AA32
2518	27 CFR 9 Petition To Establish "Red Hills Lake County" American Viticultural Area .....	1513-AA33
2519	27 CFR 9 Petition for the Establishment of "Red Hill" as an American Viticultural Area .....	1513-AA39
2520	27 CFR 9 Petition To Establish "Eola Hills" as a New American Viticultural Area .....	1513-AA41
2521	27 CFR 4 Organic Claims in Labeling and Advertising of Alcohol Beverages .....	1513-AA46
2522	27 CFR 9 Petition To Establish "Dundee Hills" as a New American Viticultural Area .....	1513-AA50
2523	27 CFR 9 Petition To Establish "Chehalem Mountains" as a New American Viticultural Area .....	1513-AA57
2524	27 CFR 9 Petition To Establish "Ribbon Ridge" as a New American Viticultural Area .....	1513-AA58
2525	27 CFR 9 Petition To Establish "Yamhill-Carlton District" as a New American Viticultural Area .....	1513-AA59
2526	27 CFR 7 Labeling and Advertising of Malt Beverages .....	1513-AA60
2527	Petition To Establish "McMinnville" as an American Viticultural Area in Oregon .....	1513-AA63
2528	Petition To Establish the "Salado Creek" Viticultural Area .....	1513-AA69
2529	Petition To Establish "Southern Oregon" As a Viticultural Area .....	1513-AA75
2530	Removal of Requirement To Disclose Saccharin in the Labeling of Wine, Distilled Spirits and Malt Beverage .....	1513-AA93

## Alcohol and Tobacco Tax and Trade Bureau—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2531	27 CFR 4 Prohibition of Alcohol Beverage Containers and Standard of Fill for Distilled Spirits and Wine .....	1513-AA07
2532	27 CFR 252 Exportation of Liquors .....	1513-AA00
2533	27 CFR 24.278 Implementation of Wine Credit Provisions of Public Law 104-188 .....	1513-AA05
2534	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
2535	27 CFR 4 Amended Standard of Identity for Sherry .....	1513-AA08
2536	27 CFR 275 Prohibited Marks on Packages of Tobacco Products and Cigarette Papers and Tubes Imported or Brought into the United States .....	1513-AA14
2537	27 CFR 4.32(d) Removal of Requirement To Disclose Saccharin in the Labeling of Wine, Distilled Spirits, and Malt Beverages .....	1513-AA15
2538	31 CFR 8 Eliminate Requirement To Enroll To Practice Before the Bureau .....	1513-AA62

## Alcohol and Tobacco Tax and Trade Bureau—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2539	27 CFR 7 Alcoholic Content Labeling for Malt Beverages .....	1513-AA01
2540	Sake Regulations .....	1513-AA11
2541	27 CFR 9 Petition To Establish "Seneca Lake" as an American Viticultural Area .....	1513-AA34
2542	27 CFR 9 Petition To Establish "Bennett Valley" as an American Viticultural Area .....	1513-AA36
2543	27 CFR 9 Petition To Change the Temecula Viticultural Area's Name to Temecula Valley .....	1513-AA40
2544	27 CFR 9 Petition To Establish "Columbia Gorge" as a New American Viticultural Area .....	1513-AA43
2545	27 CFR 9 Petition To Establish "Oak Knoll District" as a New American Viticultural Area .....	1513-AA48
2546	27 CFR 9 Petition To Establish "Snake River Valley" as a New Viticultural Area .....	1513-AA53

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## Alcohol and Tobacco Tax and Trade Bureau—Completed Actions (Continued)

Sequence Number	Title	Regulation Identifier Number
2547	Electronic Signatures; Electronic Submission of Forms to TTB .....	1513-AA61
2548	Petition No. 1 To Expand the Russian River Valley Viticultural Area .....	1513-AA68
2549	Exportation of Liquors: Recodification of Regulations: Administrative Changes Due to the Homeland Security Act of 2002 .....	1513-AA76
2550	Evidence of Exportation for Distilled Spirits; Use of Alternative Documentation .....	1513-AA78

## Comptroller of the Currency—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2551	Recordkeeping Requirements for Bank Exceptions From Securities Broker or Dealer Registration .....	1557-AB93
2552	12 CFR 19 Maintenance of Records .....	1557-AB99
2553	12 CFR 4 Rules, Policies, and Procedures for Corporate Activities; Licensing Procedures .....	1557-AC79
2554	Identity Theft Detection, Prevention, and Mitigation Program for Financial Institutions and Creditors .....	1557-AC87
2555	Fair Credit; Affiliate Marketing Regulations .....	1557-AC88
2556	Implementation of a Revised Basel Capital Accord (Basel II) .....	1557-AC91

## Comptroller of the Currency—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2557	12 CFR 25 Community Reinvestment Act Regulation (12 CFR 25) .....	1557-AB98
2558	12 CFR 5 Rules, Policies, and Procedures for Corporate Activities .....	1557-AC11
2559	Electronic Filing and Disclosure of Beneficial Ownership Reports .....	1557-AC75
2560	Risk-Based Capital; Capital Adequacy Guidelines; Capital Maintenance: Interim Capital Treatment of Consolidated Asset-Backed Commercial Paper Program Assets .....	1557-AC76
2561	Rules, Policies, and Procedures for Corporate Activities (Operating Subsidiary Annual Report) .....	1557-AC81
2562	12 CFR 19.240 Rules, Policies, and Procedures for Corporate Activities; Civil Monetary Penalties Adjustment .....	1557-AC82
2563	Lending Limits Pilot Program .....	1557-AC83
2564	12 CFR 30 app B Proper Disposal of Consumer Information .....	1557-AC84
2565	Fair Credit Reporting Regulations; Use of Medical Information; FACT Act .....	1557-AC85
2566	Community Reinvestment Act Regulations .....	1557-AC86
2567	Securities Borrowing Transactions .....	1557-AC90

## Comptroller of the Currency—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2568	Fair Credit Reporting Regulations .....	1557-AB78
2569	Interagency Proposal To Consider Alternative Forms of Privacy Notices Under the Gramm-Leach-Bliley Act .....	1557-AC80
2570	Accuracy and Integrity of Information Furnished to a Consumer Reporting Agency .....	1557-AC89

## Comptroller of the Currency—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2571	12 CFR 3 Capital Rules .....	1557-AB14
2572	Rules and Procedures for Claims Against OCC-Appointed Receiverships for Uninsured Financial Institutions .....	1557-AB59
2573	12 CFR 5 Rules, Policies, and Procedures for Corporate Activities and Bank Activities and Operations .....	1557-AB97
2574	12 CFR 28 International Banking Activities .....	1557-AC04
2575	12 CFR 30 Interagency Guidelines Establishing Standards for Safety and Soundness .....	1557-AC08



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## Comptroller of the Currency—Completed Actions (Continued)

Sequence Number	Title	Regulation Identifier Number
2576	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
2577	12 CFR 5 Rules, Policies, and Procedures for Corporate Activities (Electronic Filings) .....	1557-AC13
2578	12 CFR 7 Bank Activities and Operations; Real Estate Lending and Appraisals .....	1557-AC73
2579	Risk-Based Capital; Capital Adequacy Guidelines; Capital Maintenance: Asset-Backed Commercial Paper Programs and Early Amortization Provisions .....	1557-AC77
2580	Bank Activities and Operations .....	1557-AC78

## Internal Revenue Service—Prerule Stage

Sequence Number	Title	Regulation Identifier Number
2581	Communications Excise Tax; Taxable Communication Services .....	1545-BB04
2582	Guidance Regarding Application of Section 265(a)(2) and 246A in Transactions Involving Related Parties, Pass-Through Entities, or Other Intermediaries .....	1545-BC24
2583	Regulations Governing the Performance of Actuarial Services Under the Employee Retirement Income Security Act of 1974 .....	1545-BC82
2584	Deemed IRAs in Governmental Plans/Qualified Nonbank Trustee Rules .....	1545-BD07
2585	REMIC Interest-Only Regular Interests .....	1545-BD18

## Internal Revenue Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2586	Foreign Insurance Companies .....	1545-AL82
2587	Computation of a Branch's Taxable Income; Taxation of Exchange Gain or Loss on Branch Remittances .....	1545-AM12
2588	Outbound Transfers of Property to Foreign Corporations .....	1545-AM97
2589	Foreign Insurance Company—Domestic Election .....	1545-AO25
2590	Fringe Benefit Sourcing Under Section 861 .....	1545-AO72
2591	Taxation of Global Trading .....	1545-AP01
2592	Information Reporting and Record Maintenance .....	1545-AP10
2593	Integrated Financial Transaction .....	1545-AR20
2594	Foreign Trusts Regulations .....	1545-AR25
2595	Treatment of Dual Consolidated Losses .....	1545-AR26
2596	Agreements for Payment of Tax Liabilities in Installments .....	1545-AU97
2597	Substantiating Travel Expense Deductions for Members of Congress .....	1545-AV55
2598	Foreign Tax Credit Anti-Abuse Regulation .....	1545-AV97
2599	Transportation of Persons and Property by Air .....	1545-AW19
2600	Rules for Sourcing Certain Transportation Income, Space, or Ocean Activity Income, and Related Foreign Base Company Shipping Income .....	1545-AX02
2601	Definition of Accounting Method .....	1545-AX21
2602	Inspection of Written Determinations .....	1545-AX40
2603	Awarding of Costs and Certain Fees .....	1545-AX46
2604	Highly Compensated Employee .....	1545-AX48
2605	Modification to Section 367(a) Stock Transfer Regulations .....	1545-AX77
2606	Definition of Passive Foreign Investment Company Under Section 1297 .....	1545-AX78
2607	Clarification of Foreign-Based Company Sales Income Rules .....	1545-AX91
2608	Guidance on Changes to the Laws for Corporate Estimated Taxes .....	1545-AY22
2609	Taxable Years of Controlled Foreign Corporations (CFCs) and Foreign Personal Holding Companies (FPHCs) .....	1545-AY30
2610	Dollar-Value LIFO .....	1545-AY39
2611	Special Rules Relating to Transfers of Intangibles to Foreign Corporations .....	1545-AY41
2612	Previously Taxed Earnings and Profits Under Subpart F .....	1545-AY54
2613	Normal Retirement Age for Pension Plans .....	1545-AY61
2614	Liabilities Assumed in Certain Corporate Transactions .....	1545-AY74
2615	Disclosure of Returns and Return Information in Judicial and Administrative Tax Proceedings .....	1545-AY89

## TREAS

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

Sequence Number	Title	Regulation Identifier Number
2616	Transitional Relief for Qualified Intermediaries .....	1545–AY92
2617	Transactions Involving Obligations of Consolidated Group Members .....	1545–BA11
2618	Deductibility of Employer Contributions for Deferred Compensation .....	1545–BA13
2619	Gasoline Tax Claims .....	1545–BA27
2620	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
2621	Income From Sources Within Specified Possession .....	1545–BA37
2622	Treatment of Certain Obligation-Shifting Transactions .....	1545–BA41
2623	Multifamily Housing Bonds .....	1545–BA45
2624	Modification of Check the Box Regulations .....	1545–BA59
2625	Allocation and Apportionment Rules: Guidance on Selected Issues .....	1545–BA64
2626	Provisions Regarding Cross-Border Transactions .....	1545–BA65
2627	Circular 230—Phase 2 Nonshelter Revisions .....	1545–BA72
2628	Allocation of New Markets Tax Credit .....	1545–BA84
2629	Transfer of Notes or Stock To Provide for Satisfaction of Contested Liabilities .....	1545–BA90
2630	Guidance To Facilitate Electronic Tax Administration .....	1545–BA96
2631	Timely Mailing Treatment .....	1545–BA99
2632	Hand Carry Returns .....	1545–BB00
2633	Cost Sharing .....	1545–BB26
2634	Application of Separate Limitations to Dividends From Noncontrolled Section 902 Corporation .....	1545–BB28
2635	Amending the Low-Income Housing Tax Credit Program .....	1545–BB37
2636	Election Out Generation-Skipping Transfer Tax (GST) Deemed Allocations .....	1545–BB54
2637	Substitute Dividend Payments in Securities Lending and Similar Transactions .....	1545–BB56
2638	Deemed IRAs in Qualified Retirement Plans .....	1545–BB58
2639	Deemed IRAs in Qualified Retirement Plans (Temporary) .....	1545–BB59
2640	Loss Limitation Rules—G U Repeal .....	1545–BB61
2641	Contributions To Purchase Certain Retirement Annuities or Custodial Accounts Under Section 403(b) .....	1545–BB64
2642	Use of Government Depositories in Connection With Tax Under the Federal Unemployment Tax Act (Temporary) .....	1545–BB67
2643	Liquidation of an Interest .....	1545–BB71
2644	Qualified Interests .....	1545–BB72
2645	Collected Excise Taxes; Duties of Collector .....	1545–BB75
2646	Collected Excise Taxes; Duties of Collector (Temporary) .....	1545–BB76
2647	REMIC Residuals—Timing of Income for Foreign Holders .....	1545–BB84
2648	Predecessors or Successors Under Section 355(e) .....	1545–BB85
2649	Dependent Care Credit .....	1545–BB86
2650	Guidance Regarding Mark-to-Market Valuation for Certain Securities .....	1545–BB90
2651	Partnership Equity for Services .....	1545–BB92
2652	Determination of Single-Sum Distributions From Cash Balance Plans .....	1545–BB93
2653	Accrual for Certain REMIC Regular Interests .....	1545–BB94
2654	Miscellaneous Changes to Collection Due Process Procedures Relating to Notice and Opportunity for Hearing Upon Filing of Notice of Lien .....	1545–BB96
2655	Miscellaneous Changes to Collection Due Process Procedures Relating to Hearings Before Levy .....	1545–BB97
2656	Tax Exempt Bond Partnership Reporting Regulation .....	1545–BC04
2657	Determination of Basis of or Securities Received in Exchange or With Respect to, a Stock or Securities in Certain Transactions .....	1545–BC05
2658	General Allocation and Accounting Regulations .....	1545–BC07
2659	Entry of Taxable Fuel .....	1545–BC08
2660	Timing and Modification of the Section 59(e) Election .....	1545–BC13
2661	Value of Life Insurance When Distributed From a Qualified Retirement Plan .....	1545–BC20
2662	Utility Allowance Regulation Update .....	1545–BC22
2663	Special Consolidated Return Rules for Interest Expense Disallowed Under Section 265(a)(2) .....	1545–BC23
2664	Single Determination of Tax for Multiple Pools of Assets of an S Corporation .....	1545–BC29
2665	Deemed Corporate Election for Electing S Corporations .....	1545–BC32
2666	Guidance on PFIC Purging Elections .....	1545–BC37
2667	Additional Guidance Regarding Mark-to-Market Accounting for Traders in Securities and/or Commodities, Including Foreign Currency Instruments .....	1545–BC48
2668	Qualified Severance Regulations .....	1545–BC50
2669	Stewardship Expenses .....	1545–BC52
2670	Coordination of United States and Certain Possessions Income Taxes .....	1545–BC54

## TREAS

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

Sequence Number	Title	Regulation Identifier Number
2671	Guidance Under Section 2053 Regarding Post-Death Events .....	1545-BC56
2672	Predeceased Parent Rule .....	1545-BC60
2673	Qualified Zone Academy Bonds; Obligations of States and Political Subdivisions .....	1545-BC61
2674	Guidance Under Section 707 Regarding Disguised Sales .....	1545-BC63
2675	Partnerships and Deemed Dispositions of Unrealized Receivables and Inventory Items .....	1545-BC65
2676	LIFO Recapture Under Section 1362(d) .....	1545-BC66
2677	Section 1045 Application to Partnerships .....	1545-BC67
2678	Section 179 Elections (Temporary) .....	1545-BC69
2679	Real Estate Mortgage Investment Conduit (REMIC) Tetra Rules .....	1545-BC71
2680	Collection After Assessment .....	1545-BC72
2681	Below-Market Loans .....	1545-BC78
2682	Information Reporting Relating to Taxable Stock Transactions .....	1545-BC80
2683	Student FICA Guidance .....	1545-BC81
2684	Definition of Loss for Purposes of the Straddle Rules .....	1545-BC83
2685	NIMCRUT Valuation Regulations .....	1545-BC85
2686	Determination of Residency in U.S. Possessions .....	1545-BC86
2687	Exclusion of Employees of 501(c)(3) Organization in 401(k) and 401(m) Plans .....	1545-BC87
2688	Transactions Involving the Transfer of No Net Equity Value .....	1545-BC88
2689	Payments in the Nature of Workers Compensation .....	1545-BC89
2690	Disclosures to Subcontractors .....	1545-BC92
2691	Revision of Section 301.6103(j)-1 for Disclosure to the Bureau of Economic Analysis, Department of Commerce ...	1545-BC93
2692	Guidance Regarding the Active Trade or Business Requirement Under Section 355(b) .....	1545-BC94
2693	Accumulated Adjustment Account and Other Corporate Separations Under Section 355 .....	1545-BC98
2694	Attained Age of the Insured .....	1545-BD00
2695	Support Test in the Case of a Child of Divorced Parents .....	1545-BD01
2696	Treatment of Foreign Stapled Corporation .....	1545-BD05
2697	Deemed IRAs in Governmental Plans/Qualified Nonbank Trustee Rules (Temporary) .....	1545-BD08
2698	Public Inspection of Written Determinations Under Section 6110 of the Internal Revenue Code (Temporary) .....	1545-BD09
2699	Dual Consolidated Loss Regulations .....	1545-BD10
2700	Current Liability Interest Rate Under Section 412(b)(5) .....	1545-BD13
2701	Current Liability Interest Rate Under Section 412(b)(5) (Temporary) .....	1545-BD14
2702	Definition of Qualified Foreign Corporation .....	1545-BD15
2703	Time and Manner of Section 163 Interest Equivalent Deduction Election .....	1545-BD16
2704	Move and Update the Estimated Tax Regulations .....	1545-BD17
2705	Escrow Accounts, Trusts, and Other Funds Used During Deferred Exchanges of Like-Kind Property .....	1545-BD19
2706	Section 42 Qualified Contract Provisions .....	1545-BD20
2707	Payments for Which No Return of Information is Required Under Section 6041 .....	1545-BD21
2708	Interest on Large Corporate Underpayments Under Section 6621 (c) .....	1545-BD22
2709	Guidance on Phased Retirement .....	1545-BD23
2710	Deemed Corporate Election for Electing S Corporations (Temporary) .....	1545-BD24
2711	Section 1031 Transition to NAICS .....	1545-BD25
2712	Section 1031 Transition to NAICS (Temporary) .....	1545-BD26
2713	Stock Held by Foreign Insurance Companies .....	1545-BD27
2714	Definition of Disqualified Person .....	1545-BD28
2715	Entry of Taxable Fuel (Temporary) .....	1545-BD29
2716	Time and Manner of Section 163 Interest Equivalent Deduction Election (Temporary) .....	1545-BD30
2717	Requirements for Reorganizations .....	1545-BD31
2718	LIFO Recapture Under Section 1363(d) .....	1545-BD34
2719	Clarification of Definitions .....	1545-BD37
2720	Brief Asset Holding Period (Temporary) .....	1545-BD38
2721	Brief Asset Holding Period .....	1545-BD39
2722	Underpayment for Qualified Amended Returns .....	1545-BD40
2723	Underpayment for Qualified Amended Returns (Temporary) .....	1545-BD42
2724	Application of Sections 304(b)(6) and 367 in Cross Border Section 304 Transactions .....	1545-BD46
2725	Asset Transfers Following Putative Reorganizations .....	1545-BD56

## TREAS

## Internal Revenue Service—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2726	Foreign Corporations .....	1545-AK74
2727	Nonrecognition of Corporate Distributions and Reorganizations Under the Foreign Investment in Real Property Tax Act .....	1545-AK79
2728	Registration Required Obligations .....	1545-AP33
2729	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
2730	Interest-Free Adjustments .....	1545-AQ61
2731	Definition of "Highly Compensated Employee" .....	1545-AQ74
2732	Escrow Funds and Other Similar Funds .....	1545-AR82
2733	Mark-to-Market Upon Disposition .....	1545-AS85
2734	Straddles—Miscellaneous Issues .....	1545-AT46
2735	Definition of Private Activity Bond—Refunding Regulations .....	1545-AU98
2736	Electronic Transmission of Withholding Certificates .....	1545-AV27
2737	Interest on Education Loans .....	1545-AW01
2738	Mark-to-Market Accounting for Dealers in Commodities and Traders in Securities and Commodities .....	1545-AW06
2739	Intercompany Obligations .....	1545-AW30
2740	Contingent Debt Instrument .....	1545-AW33
2741	Capital Gain Guidance Relating to CRTs .....	1545-AW35
2742	Reporting of Payments to Attorney .....	1545-AW72
2743	Delay Rental Payments .....	1545-AX06
2744	Highway Vehicle—Definition .....	1545-AX10
2745	Guidance on Cost Recovery in the Entertainment Industry .....	1545-AX12
2746	Cash or Deferred Arrangements .....	1545-AX26
2747	Cash or Deferred Arrangements (Temporary) .....	1545-AX43
2748	Stock Transfer Rules—Carryover of Earnings and Taxes .....	1545-AX65
2749	Allocation and Apportionment of Interest Expense and Certain Other Expenses .....	1545-AX72
2750	HIPAA Portability .....	1545-AX84
2751	Application of Separate Foreign Tax Credit Limitations .....	1545-AX88
2752	Capitalization of Interest and Carrying Charges Properly Allocable to Straddles .....	1545-AX92
2753	Assumption of Partnership Liabilities .....	1545-AX93
2754	Authorized Placement Agency .....	1545-AY18
2755	Withholding Tax on Foreign Partners' Share of Effectively Connected Income .....	1545-AY28
2756	HIPAA General Nondiscrimination .....	1545-AY32
2757	HIPAA Nondiscrimination Exception for Church Plans .....	1545-AY33
2758	HIPAA Nondiscrimination Exception for Bona Fide Wellness Programs .....	1545-AY34
2759	Information Reporting on Cancellation of Indebtedness .....	1545-AY35
2760	Allocation of Income and Deductions from Intangibles .....	1545-AY38
2761	Guidance Under Section 355(e); Recognition of Gain on Certain Distributions of Stock or Securities in Connection With an Acquisition .....	1545-AY42
2762	Election—Asset Acquisitions of Insurance Companies .....	1545-AY49
2763	Tax Treatment of Cafeteria Plans .....	1545-AY67
2764	Normalization .....	1545-AY75
2765	New Market Tax Credit .....	1545-AY87
2766	Mergers Involving Disregarded Entities .....	1545-BA06
2767	Reductions of Accruals and Allocations Because of Increased Age .....	1545-BA10
2768	Procurement/Purchasing Card Reporting .....	1545-BA17
2769	Property Exempt from Levy .....	1545-BA22
2770	Application of the Federal Insurance Contributions Act, Federal Unemployment Tax Act, and Collection of Income Tax at Source to Statutory Stock Options .....	1545-BA26
2771	Amendment to the Definition of Refunding .....	1545-BA46
2772	Loss Limitation Rules .....	1545-BA52
2773	Required Distributions from Retirement Plans .....	1545-BA60
2774	Interest Other Than That of a Creditor .....	1545-BA69
2775	Circular 230—Tax Shelter Amendments .....	1545-BA70
2776	Carryback of Consolidated Net Operating Losses to Separate Return Years .....	1545-BA73
2777	Statutory Options .....	1545-BA75
2778	Disclosure of Relative Value of Distribution Forms .....	1545-BA78
2779	Redemptions Treated as Dividends .....	1545-BA80
2780	Partnership Transactions Involving Long-Term Contracts .....	1545-BA81

## TREAS

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

Sequence Number	Title	Regulation Identifier Number
2781	Reporting Requirements for Widely Held Fixed Investment Trusts .....	1545–BA83
2782	Guidance on Reporting of Deposit Interest Paid to Nonresident Aliens .....	1545–BA86
2783	Aggregate Computation and Allocation of Research Credit .....	1545–BA88
2784	Designated IRS Officer or Employee .....	1545–BA89
2785	Reduced Exclusion of Gain From Sale or Exchange of Principal Residence .....	1545–BB01
2786	Change in Use; Accelerated Cost Recovery System .....	1545–BB05
2787	Capital Account Bookup .....	1545–BB10
2788	Allocation of Foreign Tax Credits Among Partners .....	1545–BB11
2789	Distributions of Property .....	1545–BB12
2790	Excise Tax Relating To Structured Settlement Factoring Transactions .....	1545–BB14
2791	Testimony Authorizations and Requests for IRS Information .....	1545–BB15
2792	Investigative Disclosures .....	1545–BB16
2793	Toll Telephone Service—Definition .....	1545–BB18
2794	Authorization for IRS To Charge Fees For Copying Exempt Organization Returns .....	1545–BB21
2795	Duplicative Tax Benefits .....	1545–BB25
2796	Extension of Time for Filing Returns .....	1545–BB29
2797	Treatment of Services Under Section 482 .....	1545–BB31
2798	Investment Adjustment Rules and Waiver of Loss Carryovers From SRLY Years—Amended .....	1545–BB38
2799	Limitation on Use of Nonaccrual Experience Method of Accounting .....	1545–BB43
2800	Advance Rentals .....	1545–BB44
2801	Administrative Simplification of 481(a) Adjustment Periods in Various Regulations .....	1545–BB47
2802	Special Depreciation Allowance .....	1545–BB57
2803	Information Reporting Relating to Taxable Stock Transactions .....	1545–BB60
2804	Use of Government Depositories in Connection With Tax Under the Federal Unemployment Tax Act .....	1545–BB66
2805	Availability of Section 338(h)(10) Election in Multistep Transactions .....	1545–BB68
2806	Guidance on Life Insurance and Annuity Contracts .....	1545–BB77
2807	Application of Nondiscrimination Cross-Testing Rules To Cash Balance Plans .....	1545–BB79
2808	Notional Principal Contracts; Contingent Nonperiodic Payments .....	1545–BB82
2809	Reduction of Tax Attributes Due To Discharge of Indebtedness Income .....	1545–BB98
2810	New Markets Tax Credit Amendments .....	1545–BC03
2811	Transfers of Nonstatutory Stock Options to Related Persons .....	1545–BC06
2812	Notarization Requirement for Statements of Purchase .....	1545–BC11
2813	Guidance Necessary To Facilitate Business Electronic Filing .....	1545–BC15
2814	Contingent at Closing Escrows .....	1545–BC16
2815	Changes in Computing Depreciation .....	1545–BC18
2816	Section 411(d)(6) Protected Benefits .....	1545–BC26
2817	Preservation of Stock Basis .....	1545–BC28
2818	Prohibited Allocation of Securities in an S Corporation .....	1545–BC34
2819	Elimination of Forms of Distribution in Defined Contribution Plans .....	1545–BC35
2820	Depreciation of Vans and Light Trucks .....	1545–BC36
2821	Guidance Under Section 1502; Application of Section 108 to Members of a Consolidated Group .....	1545–BC38
2822	Remedial Actions for Tax Exempt Bonds .....	1545–BC40
2823	Substitute for Return (SFR) and Automated Substitute for Return (ASFR) (Temporary) .....	1545–BC46
2824	Guidance on PFIC Purging Elections .....	1545–BC49
2825	Suspension of Running of Period of Limitation During a Proceeding To Enforce or Quash a Designated or Related Summons .....	1545–BC55
2826	Guidance Under Section 1502; Application of Section 108 to Members of a Consolidated Group .....	1545–BC74
2827	Guidance Under Section 1502; Computation of Taxable Income When Section 108 Applies to a Member of a Consolidated Group .....	1545–BC95
2828	Electronic Filing of Duplicate Forms 5472 .....	1545–BD03
2829	Solid Waste Disposal Facilities .....	1545–BD04
2830	Treatment of Foreign Stapled Corporation (Temporary) .....	1545–BD06
2831	Transitional Rule for Vested Accrued Vacation Pay .....	1545–BD12
2832	Coordination of United States and Certain Possessions Income Taxes (Temporary) .....	1545–BD32
2833	Guidance on PFIC Purging Elections (Temporary) .....	1545–BD33
2834	Clarification of Definitions (Temporary) .....	1545–BD43

## TREAS

## Internal Revenue Service—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2835	Income Tax—Taxpayer's Obligation To File a Notice of Redetermination of Foreign Tax and Civil Penalties for Failure To File .....	1545-AC09
2836	Income Tax—Definition of Qualified Possession Source Investment Income for Purposes of Puerto Rico and Possession Tax Credit .....	1545-AC10
2837	FSC Transfer Pricing Rules, Distributions, Dividends Received, Deduction, and Other Special Rules for FSC .....	1545-AI16
2838	Information From Passport and Immigration Applicants .....	1545-AJ93
2839	Income of Foreign Governments and International Organizations .....	1545-AL93
2840	Clarification of Treatment of Separate Limitation Losses .....	1545-AM11
2841	Earnings and Profits of Controlled Foreign Corporations .....	1545-AM90
2842	Caribbean Basin Investments .....	1545-AM91
2843	Consolidated Alternative Minimum Tax .....	1545-AN73
2844	Conforming Taxable Years of CFCs and FPHCs .....	1545-AO22
2845	Earnings Stripping Payments .....	1545-AO24
2846	Charitable Contributions .....	1545-AP30
2847	Use of GAAP Earnings as E&P of Foreign Corporations .....	1545-AQ55
2848	The Treatment of Accelerated Death Benefits .....	1545-AQ70
2849	Allocation of Accrued Benefits Between Employer and Employee Contributions .....	1545-AT82
2850	Foreign Corporations Regulations .....	1545-AT96
2851	Application of Grantor Trust Rules to Nonexempt Employees' Trust .....	1545-AU29
2852	Recomputation of Life Insurance Reserves .....	1545-AU49
2853	Source Rules for Payments Made Pursuant to Certain Swap Arrangements .....	1545-AU89
2854	Application of Attribution Rules to Foreign Trusts .....	1545-AU91
2855	Financial Asset Securitization Investment Trust (FASIT) Start-Up; Operational and Transitional Rules .....	1545-AU94
2856	Return of Levied Property in Certain Cases .....	1545-AV01
2857	Stocks and Securities Safe Harbor Exception .....	1545-AW13
2858	Source of Income From Certain Space and Ocean Activities and for Communications Income .....	1545-AW50
2859	Constructive Sales of Appreciated Financial Positions .....	1545-AW97
2860	Special Rules for S Corporations .....	1545-AY44
2861	Payments For Interest in Partnership .....	1545-AY90
2862	Consolidated Returns; Nonapplicability of Section 357(c) .....	1545-BA09
2863	Noncompensatory Partnership Options .....	1545-BA53
2864	Earnings and Profits Attribution Principles .....	1545-BA93
2865	Mixed Use Output Facilities .....	1545-BB23
2866	Accrual Rules for Creditable Foreign Taxes and Guidance on Change in Taxable Year .....	1545-BB27
2867	Amendment to Section 6724 Relating to Failure To File Correct Information Returns .....	1545-BB41
2868	Safe Harbor Leasing Second Interest Capitalization .....	1545-BB62
2869	Safe Harbor Leasing Second Interest Capitalization (Temporary) .....	1545-BB63
2870	Installment Obligations .....	1545-BB65
2871	Corporate Reorganizations; Continuity—Transfers of Assets or Stock Following a Reorganization .....	1545-BB80
2872	Substitute for Return (SFR) and Automated Substitute for Return (ASFR) .....	1545-BC45
2873	Guarantee Fees Under Section 143(g) .....	1545-BC59
2874	Transfers of Restricted Stock .....	1545-BD44
2875	Transfers of Restricted Stock (Temporary) .....	1545-BD45

## Internal Revenue Service—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2876	Qualified Offers .....	1545-AW99
2877	Guaranteed Investment Contracts .....	1545-AX22
2878	Like-Kind Exchanges .....	1545-AX95
2879	Definition of Income .....	1545-AX96
2880	Electing Mark-to-Market for Marketable Stock of a PFIC .....	1545-AY17
2881	Active Conduct of an Insurance Business Under PFIC Rules .....	1545-AY20
2882	Electronic Furnishing of Payee Statements .....	1545-AY50
2883	Research Credit III .....	1545-AY82
2884	Low-Income Taxpayer Clinics .....	1545-AY84

## TREAS

## Internal Revenue Service—Completed Actions (Continued)

Sequence Number	Title	Regulation Identifier Number
2885	Definition of Agent and Safeguard Certifications .....	1545–AY94
2886	Tax Shelter Penalties .....	1545–AY97
2887	Expenditures in Connection with the Creation of Intangible Assets .....	1545–BA00
2888	Allocation and Apportionment of Interest Expense; Tax Book Value Disparities .....	1545–BA02
2889	Continuation of a Consolidated Group .....	1545–BA14
2890	Modification of Check the Box Regulations (Temporary) .....	1545–BA58
2891	Abatement of Interest on Large Erroneous Refunds .....	1545–BA61
2892	Carryover and Stacking Rule Amendment .....	1545–BA85
2893	Tax Book Value Disparities .....	1545–BA92
2894	Preparer Penalties—Signature Requirement and Copies of Returns .....	1545–BB34
2895	Hand Carrying Returns (Temporary) .....	1545–BB45
2896	Statutory Options (Temporary) .....	1545–BB69
2897	Real Estate Mortgage Investment Conduits (REMICs); Application of Section 446 With Respect to Inducement Fees .....	1545–BB73
2898	Corporate Reorganizations; Continuity—Transfers of Assets or Stock Following a Reorganization (Temporary) .....	1545–BB81
2899	Assumption of Partnership Liabilities (Temporary) .....	1545–BB83
2900	Distributions of Loss Corporation Stock by Qualified Plans .....	1545–BC00
2901	New Markets Tax Credit Amendments (Temporary) .....	1545–BC02
2902	Changes in Computing Depreciation (Temporary) .....	1545–BC17
2903	Like-Kind Exchanges Under Section 168 (Temporary) .....	1545–BC27
2904	Removal of Section 6152 Regulations .....	1545–BC53
2905	Guidance Necessary To Facilitate Business Electronic Filing (Temporary) .....	1545–BC62
2906	Partnership Transactions Involving Partner's Stock .....	1545–BC64
2907	Qualified Zone Academy Bonds (Temporary) .....	1545–BC68
2908	Confidential Transactions .....	1545–BC75
2909	Confidential Transactions (Temporary) .....	1545–BC76
2910	Guidance Under Section 1502; Application of Section 108 to Members of a Consolidated Group (Temporary) .....	1545–BC77
2911	Information Reporting Relating to Taxable Stock Transactions (Temporary) .....	1545–BC79
2912	Loss Limitation Rules (Temporary) .....	1545–BC84
2913	Low-Income Housing Credit Allocation Certification; Electronic Filing .....	1545–BC90
2914	Guidance Under Section 1502; Computation of Taxable Income When Section 108 Applies to a Member of a Consolidated Group (Temporary) .....	1545–BC96
2915	Payment in Lieu of Dividends .....	1545–BC97
2916	Electronic Filing of Duplicate Forms 5472 (Temporary) .....	1545–BD02
2917	Partner's Distributive Share: Foreign Tax Expenditures (Temporary) .....	1545–BD11

## Office of Thrift Supervision—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2918	Risk-Based Capital Guidelines; Implementation of New Basel Capital Accord .....	1550–AB56

## Office of Thrift Supervision—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2919	12 CFR 563e Community Reinvestment Act .....	1550–AB48
2920	Risk-Based Capital Guidelines; Capital Guidelines; Capital Maintenance: Interim Capital Treatment of Consolidated Asset-Backed Commercial Paper Program Assets .....	1550–AB79
2921	12 CFR 568 Proper Disposal of Consumer Information Under the Fair and Accurate Credit Transactions Act of 2003 .....	1550–AB87
2922	Fair Credit Reporting Medical Information Regulations .....	1550–AB88

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Office of Thrift Supervision—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2923	12 CFR 571 Fair Credit Reporting .....	1550-AB33
2924	Interagency Proposal To Consider Alternative Forms of Privacy Notices Under the Gramm-Leach-Bliley Act .....	1550-AB86

Office of Thrift Supervision—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2925	Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Asset-Backed Commercial Paper Programs and Early Amortization Provisions .....	1550-AB81
2926	Assessments and Fees .....	1550-AB89

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

Proposed Rule Stage

**2366. AMENDMENTS TO THE GOVERNMENT SECURITIES ACT REGULATIONS: EXEMPTION FOR HOLDINGS SUBJECT TO FIDUCIARY STANDARDS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 780-5(b)(1)(A); 15 USC 780-5(b)(4); 15 USC 780-5(b)(5); 31 USC 3121; 31 USC 9110

**CFR Citation:** 17 CFR 450.3

**Legal Deadline:** None

**Abstract:** The proposed rule would amend the Government Securities Act regulations applicable to custodial holdings of Government securities by depository institutions. Specifically, this proposal would expand the eligibility for the exemption for holdings subject to fiduciary standards at 17 CFR part 450.3 to include savings associations examined by the Office of Thrift Supervision. The exemption is currently available to depository institutions that meet its conditions regulated by the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Board of Governors of the Federal Reserve System.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	
NPRM Comment Period End	08/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Lori Santamora, Executive Director, Department of the Treasury, Room 315, Government Securities Regulations Staff, 799 9th Street NW., Washington, DC 20239  
Phone: 202 504-3632  
Fax: 202 504-3639  
Email: govsecreg@bpd.treas.gov

Lee Grandy, Associate Director, Department of the Treasury, Government Securities Regulations Staff, 799 9th Street NW., Washington, DC 20239  
Phone: 202 504-3632  
Fax: 202 504-3639  
Email: govsecreg@bpd.treas.gov

Deidere R. Brewer, Government Securities Specialist, Department of the Treasury, Government Securities Regulations Staff, 799 9th Street NW., Washington, DC 20239  
Phone: 202 504-3632  
Fax: 202 504-3639  
Email: govsecreg@bpd.treas.gov

**RIN:** 1505-AB06

**2367. TERRORISM RISK INSURANCE PROGRAM; LITIGATION MANAGEMENT**

**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** Terrorism Risk Insurance Act, title 1, 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 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 implements the litigation management provisions of section 107 of the Act as well as other litigation relating to the Program.

**Timetable:**

Action	Date	FR Cite
NPRM	05/06/04	69 FR 25341
NPRM Comment Period End	07/06/04	
Final Rule	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** C. Christopher Ledoux, Senior Attorney, Department of the Treasury, Washington, DC 20220  
Phone: 202 622-6813

**RIN:** 1505-AB08



## TREAS—DO

## Proposed Rule Stage

**2368. TERRORISM RISK INSURANCE PROGRAM; ADDITIONAL CLAIMS ISSUES**

**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** Terrorism Risk Insurance Act, title 1, 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 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 provides requirements for claims procedures related to the later stages of claims administration and final netting of losses as well as secondary issues such as procedures in case of insurer insolvency.

**Timetable:**

Action	Date	FR Cite
NPRM	08/00/04	
NPRM Comment Period End	09/00/04	
Final Rule	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Howard Leikin, Senior Insurance Advisor, Department of the Treasury, Office of Financial Institutions, Terrorism Risk Insurance Program, 1500 Pennsylvania Avenue NW., Washington, DC 20220  
Phone: 202 622-6770

**RIN:** 1505-AB09

**2369. 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 the Bureau of Customs and Border Protection, and is intended to ensure that the wording of the Customs Regulations is consistent with the product coverage of section 204.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AB54

**Agency Contact:** Dick Crichton, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0162

**RIN:** 1505-AB13

**2370. 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 CBP 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 the Bureau of Customs and Border Protection must liquidate a suspended entry after the suspension is removed; remove the application of the four-year limitation to suspended entries; and provide that the agency

must also inform sureties when an entry is suspended or extended.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AB66

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

**RIN:** 1505-AB14

**2371. 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	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AB74

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

**RIN:** 1505-AB15

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**2372. 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 the Bureau of Customs and Border Protection at a later date.**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AB85**Agency Contact:** John Leonard, Program Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0915**RIN:** 1505-AB16**2373. 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 the Bureau of Customs and Border Protection 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	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC23**Agency Contact:** John Leonard, Program Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0915**RIN:** 1505-AB20**2374. • UNIFORM RULES OF ORIGIN****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1624**CFR Citation:** 19 CFR 102**Legal Deadline:** None**Abstract:** Amendment to set forth uniform rules for determining the country of origin of imported goods.**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Daniel Cornette, Attorney, Special Classification and Marking Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue, NW, Washington, DC 20229  
Phone: 202 572-8731**RIN:** 1505-AB49**2375. • RECORDATION OF COPYRIGHTS AND ENFORCEMENT PROCEDURES TO PREVENT IMPORTATION OF PIRATICAL ARTICLES****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1124; 15 USC 1125; 17 USC 101; 17 USC 106; 17 USC 501; 19 USC 66; 19 USC 1499; 19 USC 1595a; 17 USC 1201(b); 18 USC 2319A; ...**CFR Citation:** 19 CFR 133**Legal Deadline:** None**Abstract:** This amendment will allow CBP to be more responsive to claims of piracy. Amendment would allow sound recordings and motion pictures or similar audio-visual works to be recorded with CBP while pending registration with the U.S. Copyright Office. Amendment would also enhance the protection of all non-U.S. works by allowing recordation without requiring registration with the U.S.

Copyright Office. Amendment would also set forth changes to CBP's enforcement procedures, including, among other things, enhanced disclosure provisions, protection for live musical performances and provisions to enforce the Digital Millennium Copyright Act.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Paul Pizzeck, Attorney, Intellectual Property Rights Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8710George F. McCray, Chief, Intellectual Property Rights Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8709**RIN:** 1505-AB51**2376. • REVISION OF OUTBOUND REDELIVERY PROCEDURES AND LIABILITIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1623; 19 USC 1624**CFR Citation:** 19 CFR 113**Legal Deadline:** None**Abstract:** Amendment of the condition in an international carrier bond regarding the unlawful disposition of merchandise in order to allow CBP to better control the exportation of merchandise and to have more control over demands for redelivery. Conditions of the bond would be amended to no longer require the merchandise to be labeled as seized and detained for the principal to be required to obtain permission from CBP prior to placing the merchandise on board a conveyance for export or otherwise disposing of the merchandise. Instead of the condition being applicable when CBP labels merchandise, the condition would be applicable when CBP notifies the principal either in writing or electronically that the merchandise has been seized or detained.

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## Timetable:

Action	Date	FR Cite
NPRM	08/00/04	

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

**Agency Contact:** Robert C. Rawls, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-5301

RIN: 1505-AB52

## 2377. • CENTRALIZATION OF THE CONTINUOUS BOND PROGRAM AT THE CBP NATIONAL FINANCE CENTER

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

Legal Authority: Not Yet Determined

CFR Citation: 19 CFR 101; 19 CFR 113

Legal Deadline: None

**Abstract:** Amendment to reflect CBP's planned centralization of the continuous bond program at the National Finance Center (NFC). Pursuant to this centralization, all continuous bonds would be filed at the NFC via mail, fax, or in an electronic format. The NFC would assume most of the bond functions previously performed at the port level, with the noted exception that the authority to

approve single transaction bonds will remain with port directors. These changes would support CBP's bond program by ensuring an efficient and uniform approach to the approval, maintenance, and periodic review of continuous bonds.

## Timetable:

Action	Date	FR Cite
NPRM	09/00/04	

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

**Agency Contact:** Bruce Ingalls, Chief, Collection Section, Department of the Treasury, Office of Finance, Indianapolis, IN 46278  
Phone: 317 298-1307

RIN: 1505-AB54

## Department of the Treasury (TREAS)

## Final Rule Stage

## Departmental Offices (DO)

## 2378. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) PROGRAM

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:** This revised interim rule: 1) includes new definitions of the terms, "State-Insured Credit Union" and "Appropriate State Agency"; 2) includes county population loss as an Investment Area distress criterion for areas located outside of Metropolitan Areas; 3) includes county net migration loss as an Investment Area distress criterion for areas located outside of Metropolitan Areas; 4) permits the Fund to establish additional activity measures (such as loans outstanding) and the associated measurement time periods for Insured Credit Unions and State-Insured Credit Unions to meet the retained earnings since inception option for meeting the matching funds requirements; 5) in the case of State-Insured Credit Unions, permits the Fund to contact and consider the views of the Appropriate State Agency; and 6) revises certain reporting requirements and deadlines to ensure consistency and decrease reporting burden. In addition, the revised interim

rule revises the definition of State by deleting reference to Trust Territories of the Pacific Islands.

## Timetable:

Action	Date	FR Cite
Interim Final Rule	05/11/04	69 FR 26260
Interim Final Rule Comment Period End	07/12/04	

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

**Agency Contact:** Jeffrey C. Berg, Legal Counsel, Department of the Treasury, Suite 200 South, Community Development Financial Institutions Fund, 601 13th Street NW., Washington, DC 20005  
Phone: 202 622-8530  
Fax: 202 622-8244  
Email: bergj@cdfi.treas.gov

RIN: 1505-AA92

## 2379. 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); 15 USC 5(a)(5)

CFR Citation: 17 CFR 403.4

Legal Deadline: None

**Abstract:** The final rule allows 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 rule is a conforming technical amendment to the Government Securities Act regulations.

## Timetable:

Action	Date	FR Cite
NPRM	12/11/03	68 FR 69059
NPRM Comment Period End	01/12/04	
Final Action	06/00/04	
Final Action Effective	06/00/04	

## Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

**Agency Contact:** Lori Santamarena, Executive Director, Department of the Treasury, Room 315, Government Securities Regulations Staff, 799 9th Street NW., Washington, DC 20239  
Phone: 202 504-3632  
Fax: 202 504-3639  
Email: govsecreg@bpd.treas.gov

Kevin Hawkins, Government Securities Specialist, Department of the Treasury, Room 315, Government Securities

## TREAS—DO

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Regulations Staff, 799 9th Street NW.,  
Washington, DC 20239  
Phone: 202 504-3632  
Fax: 202-504-3639  
Email: govsecreg@bpd.treas.gov  
RIN: 1505-AA94

### 2380. 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	FR Cite
NPRM	01/29/03	68 FR 4422
NPRM Comment Period End	03/31/03	
Final Rule	08/00/04	

**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

### 2381. 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	FR Cite
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	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Thomas M. McGivern, Assistant 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

### 2382. TERRORISM RISK INSURANCE PROGRAM; INITIAL CLAIMS PROCEDURE REQUIREMENTS

**Priority:** Other Significant

**Legal Authority:** Terrorism Risk Insurance Act, title 1, 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 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 filing claims for payment of the Federal share of compensation for insured losses under the Program. The rule addresses requirements for loss certification, specifies information needed in conjunction with insurer submissions for Federal compensation, offers guidance on the statutory definition of what is payable as the federal share of insured losses, and sets forth requirements for investigating and auditing claims under the Program. The rule generally builds upon previous interim guidances and final rules issued by Treasury, particularly in areas involving definitions and disclosure requirements.

**Timetable:**

Action	Date	FR Cite
NPRM	12/01/03	68 FR 25168
NPRM Comment Period End	12/31/03	
Final Rule	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Howard Leikin, Senior Insurance Advisor, Department of the Treasury, Office of Financial Institutions, Terrorism Risk Insurance Program, 1500 Pennsylvania Avenue NW., Washington, DC 20220  
Phone: 202 622-6770

RIN: 1505-AB07

### 2383. 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 the Bureau of Customs and Border Protection to assess a harbor maintenance fee of

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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	FR Cite
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	12/00/04	

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

**Additional Information:** Transferred from RIN 1515-AA57

**Agency Contact:** Deborah Thompson, Accountant, Department of the Treasury, Accounts Receivable Branch, Office of Finance, Indianapolis, IN 46278

Phone: 317 298-1200

**RIN:** 1505-AB11

**2384. 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 the Bureau of Customs and Border Protection 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	FR Cite
Interim Final Rule Effective	01/08/92	57 FR 607

Action	Date	FR Cite
Interim Final Rule Effective	01/08/92	
Interim Final Rule Comment Period End	03/09/92	
Final Action	12/00/04	

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

**Additional Information:** Transferred from RIN 1515-AA87

**Agency Contact:** Deborah Thompson, Accountant, Department of the Treasury, Accounts Receivable Branch, Office of Finance, Indianapolis, IN 46278

Phone: 317 298-1200

**RIN:** 1505-AB12

**2385. 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 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	FR Cite
Interim Final Rule Effective	01/01/96	

Action	Date	FR Cite
Interim Final Rule	01/30/96	61 FR 2908
Interim Final Rule Comment Period End	04/01/96	
Final Action	12/00/04	

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

**Additional Information:** Transferred from RIN 1515-AB87

**Agency Contact:** Shawn Filion, Commercial Program Specialist, Department of the Treasury, Office of Field Operations, North Star Commercial, P.O. Box 400, Buffalo, NY 14225

Phone: 716 551-3053

**RIN:** 1505-AB17

**2386. 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 Bureau of Customs and Border Protection Regulations. Amendments promote the concept of informed compliance by the trade and proper field administration of the statutory requirement.

**Timetable:**

Action	Date	FR Cite
NPRM	01/26/00	65 FR 4193
NPRM Comment Period End	04/26/00	65 FR 17473
Final Action	12/00/04	

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

**Additional Information:** Transferred from RIN 1515-AC32

**Agency Contact:** Monika Rice Brenner, Chief, Special Classification and Marking Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229

Phone: 202 572-8810

Kristen VerSteeg, Attorney-Advisor, Special Classification and Marking

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## Final Rule Stage

Branch, Department of the Treasury,  
1300 Pennsylvania Avenue NW.,  
Washington, DC 20229  
Phone: 202 572-8832

RIN: 1505-AB21

### 2387. 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 the Bureau of Customs and Border Protection 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 the Bureau of Customs and Border Protection (Commissioner), 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 and by removing the limitation that these methods of payment may only be used by noncommercial entities.

**Timetable:**

Action	Date	FR Cite
NPRM	03/17/99	64 FR 13141
NPRM Comment Period End	05/17/99	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC40

**Agency Contact:** Linda Lloyd, Financial Officer, Department of the Treasury, Financial Policy Division, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0119

RIN: 1505-AB22

### 2388. 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	FR Cite
NPRM	05/01/01	66 FR 21705
NPRM Comment Period End	07/02/01	
Final Action	09/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC63

**Agency Contact:** Kimberly Nott, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0042

RIN: 1505-AB24

### 2389. 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 nonimport-sensitive, nontextile 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	FR Cite
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	09/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC72

**Agency Contact:** Leon Hayward, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-3271

Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

RIN: 1505-AB26

### 2390. 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

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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	FR Cite
NPRM	07/25/02	67 FR 48594
NPRM Comment Period End	09/23/02	
Final Action	10/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC74

**Agency Contact:** Debbie Scott, Chief, Entry and Drawback Management, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1962

**RIN:** 1505-AB27**2391. 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 nontextile

articles that are excluded from duty-free treatment under the Caribbean Basin Initiative program.

**Timetable:**

Action	Date	FR Cite
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	09/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC76

**Agency Contact:** Leon Hayward, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-3271

Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1505-AB28**2392. 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	FR Cite
NPRM	02/01/01	66 FR 8554
NPRM Comment Period End	04/02/01	
Second NPRM	10/09/02	67 FR 62920

Action	Date	FR Cite
Second NPRM Comment Period End	12/09/02	
Final Action	08/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC77

**Agency Contact:** Dennis Lomax, Accountant, Department of the Treasury, Accounting Services Division, Office of Finance, Indianapolis, IN 46278

Phone: 317 298-1200

**RIN:** 1505-AB29**2393. 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	FR Cite
NPRM	08/10/01	66 FR 42163
NPRM Comment Period End	10/09/01	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC87

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**Agency Contact:** Jeremy Baskin, Attorney-Advisor, Penalties Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8753

Luan Cotter, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1249

Renee Stevens, Science Officer, Department of the Treasury, Office of Laboratories and Scientific Services, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0941

**RIN:** 1505-AB31

#### 2394. 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	FR Cite
NPRM	03/08/02	67 FR 10636
NPRM Comment Period End	04/08/02	
Final Action	08/00/04	

#### Regulatory Flexibility Analysis Required: No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC88

**Agency Contact:** Richard Walliio, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-9704

**RIN:** 1505-AB32

#### 2395. 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	FR Cite
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	08/00/04	

#### Regulatory Flexibility Analysis Required: No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC89

**Agency Contact:** Dick Crichton, Operations Officer, Department of the Treasury, Office of Field Operations,

1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0162

Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1505-AB33

#### 2396. 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	FR Cite
NPRM	04/08/02	67 FR 16664
NPRM Comment Period End	06/07/02	
Final Action	10/00/04	

#### Regulatory Flexibility Analysis Required: No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC94

**Agency Contact:** Gina Grier, Attorney, Entry Procedures and Carriers Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8730

Robert E. Watt, Program Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0279

**RIN:** 1505-AB34



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**2397. 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 nontextile 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	FR Cite
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	10/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AD19

**Agency Contact:** Leon Hayward, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-3271

Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229

Phone: 202 572-8790

Robert Abels, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1959

**RIN:** 1505-AB37**2398. 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	FR Cite
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	09/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AD20

**Agency Contact:** Robert Abels, Operations Officer, Department of the

Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1959

Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1505-AB38**2399. 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; 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	FR Cite
Interim Final Rule	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AD21

**Agency Contact:** Joseph Lanzante, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-5246

**RIN:** 1505-AB39

**2400. 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	FR Cite
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	09/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AD22

**Agency Contact:** Robert Abels, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1959

Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1505-AB40

**2401. TARIFF TREATMENT RELATED TO DISASSEMBLY OPERATIONS UNDER THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)**

**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	FR Cite
NPRM	03/13/03	68 FR 12011
NPRM Comment Period End	05/12/03	
Final Action	10/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AD23

**Agency Contact:** Edward M. Leigh, Attorney, Special Classification and Marking Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8827

**RIN:** 1505-AB41

**2402. MERCHANDISE PROCESSING FEES ELIGIBLE TO BE CLAIMED AS CERTAIN TYPES OF DRAWBACK BASED ON SUBSTITUTION OF FINISHED PETROLEUM DERIVATIVES**

**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 that merchandise processing fees are eligible to be claimed, in limited circumstances, as drawback based on substitution of finished petroleum derivatives. Amendment is consistent with a court decision in which merchandise processing fees were found to be eligible to be claimed as unused merchandise drawback. As drawback based on substitution of finished petroleum derivatives is, in limited circumstances, treated in the same manner as unused merchandise drawback, the amendment reflects that merchandise processing fees are also eligible to be claimed as drawback in these circumstances.

**Timetable:**

Action	Date	FR Cite
NPRM	10/02/03	68 FR 56804
NPRM Comment Period End	12/01/03	
Final Action	08/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AD32

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

**RIN:** 1505-AB44

**2403. • UNITED STATES – CHILE FREE TRADE AGREEMENT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 3805 note; 19 USC 1202; 19 USC 66; 19 USC 1624; ...

**CFR Citation:** 19 CFR 10; 19 CFR 12; 19 CFR 24; 19 CFR 163; ...

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**Legal Deadline:** Final, Statutory, January 1, 2005, United States–Chile Free Trade Agreement Implementation Act.

**Abstract:** This will implement the preferential tariff treatment and other customs-related provisions of the Free Trade Agreement entered into by the United States and the Republic of Chile.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	09/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Carol McDaniel, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927–0300

Robert Abels, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927–1959

**RIN:** 1505–AB47

#### 2404. • UNITED STATES – SINGAPORE FREE TRADE AGREEMENT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 3805 note; 19 USC 1202; 19 USC 66; 19 USC 1624; ...

**CFR Citation:** 19 CFR 10; 19 CFR 12; 19 CFR 24; 19 CFR 163; ...

**Legal Deadline:** Final, Statutory, January 1, 2005, U.S.–Singapore Free Trade Agreement Implementation Act.

**Abstract:** Amendment to implement the preferential tariff treatment and other customs-related provisions of the

Free Trade Agreement entered into by the United States and the Republic of Singapore.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Carol McDaniel, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927–0300

Robert Abels, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927–1959

**RIN:** 1505–AB48

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

## Long-Term Actions

#### 2405. 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	FR Cite
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

#### 2406. FINANCIAL ACTIVITIES OF FINANCIAL SUBSIDIARIES

**Priority:** Substantive, Nonsignificant

**CFR Citation:** Not Yet Determined

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	03/20/00	65 FR 14819

Action	Date	FR Cite
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

#### 2407. 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

#### 2408. SECRETARY'S DETERMINATION OF REAL ESTATE BROKERAGE

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1501.2

**Timetable:**

Action	Date	FR Cite
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

#### 2409. SECRETARY'S DETERMINATION OF OTHER ACTIVITIES FINANCIAL IN NATURE

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1501.2

## TREAS—DO

## Long-Term Actions

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	01/02/01	66 FR 257
Interim Final Rule Effective	01/02/01	

Interim Final Rule  
Comment Period  
End

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

**2410. BANK ENTERPRISE AWARD (BEA) PROGRAM**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1806

**Timetable:**

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

Next Action Undetermined

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@cfdi.treas.gov

**RIN:** 1505-AA91

**2411. TERRORISM RISK INSURANCE PROGRAM; RECOUPMENTS OF FEDERAL SHARE OF COMPENSATION FOR INSURED LOSSES**

**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

**CFR Citation:** 31 CFR 50

**Timetable:**

Action	Date	FR Cite
NPRM	To Be Determined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Howard Leikin

Phone: 202 622-6770

**RIN:** 1505-AB10

**2412. ENTRY OF SOFTWOOD LUMBER SHIPMENTS FROM CANADA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 19 CFR 12; 19 CFR 113

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	02/26/97	62 FR 8620
Interim Final Rule Effective	02/26/97	

Action	Date	FR Cite
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:** 1505-AB18

**2413. ENTRY OF SOFTWOOD LUMBER SHIPMENTS FROM CANADA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 19 CFR 12

**Timetable:**

Action	Date	FR Cite
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 1505-AB18

**RIN:** 1505-AB23

## Department of the Treasury (TREAS)

## Completed Actions

## Departmental Offices (DO)

**2414. COMMON RULE SUSPENSION AND DEBARMENT**

**Priority:** Substantive, Nonsignificant

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

**Completed:**

Reason	Date	FR Cite
Interim Final Rule	11/26/03	68 FR 66605
Interim Final Rule Comment Period End	01/26/04	

No Further Action To  
Be Taken

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Brian Lee

Phone: 202 622-0808

Fax: 202 622-2318

**RIN:** 1505-AA86

**2415. TREASURY DEBT COLLECTION**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 5

**Completed:**

Reason	Date	FR Cite
No Further Action To Be Taken	05/17/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Brian Lee

Phone: 202 622-0808

Fax: 202 622-2318

**RIN:** 1505-AA90

**2416. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) PROGRAM; REPORTING REQUIREMENTS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1805

**Completed:**

Reason	Date	FR Cite
Withdrawn - Project Discontinued	04/05/04	

**Regulatory Flexibility Analysis Required:** No

## TREAS—DO

## Completed Actions

**Government Levels Affected:** None

**Agency Contact:** Jeffrey C. Berg

Phone: 202 622-8530

Fax: 202 622-8244

Email: bergj@cfdi.treas.gov

**RIN:** 1505-AA93

**2417. REQUIREMENTS FOR FUTURE CUSTOMS TRANSACTIONS WHEN PAYMENT TO CUSTOMS ON PRIOR TRANSACTIONS IS DELINQUENT AND/OR DISHONORED**

**Priority:** Substantive, Nonsignificant

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

**Completed:**

Reason	Date	FR Cite
Withdrawn	06/11/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robert Reiley

Phone: 202 927-1504

**RIN:** 1505-AB25

**2418. REFUND OF DUTIES PAID ON IMPORTS OF CERTAIN WOOL PRODUCTS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 19 CFR 10

**Completed:**

Reason	Date	FR Cite
Final Action	07/24/03	68 FR 43624
Final Action Effective	07/24/03	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Suzanne Kingsbury

Phone: 202 572-8763

**RIN:** 1505-AB43

**2419. • IMPORT RESTRICTIONS IMPOSED ON ARCHAEOLOGICAL MATERIAL ORIGINATING IN HONDURAS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1202; 19 USC 2612

**CFR Citation:** 19 CFR 12

**Legal Deadline:** None

**Abstract:** Amendment to reflect the imposition of import restrictions on certain archaeological material originating in the Republic of Honduras. These restrictions are being imposed pursuant to an agreement between the United States and Honduras that has been entered into under the authority of the Convention on Cultural Property Implementation

Act in accordance with the United Nations Educational Scientific and Cultural Organization Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Cultural Property.

**Timetable:**

Action	Date	FR Cite
Final Action	03/16/04	69 FR 12267
Final Action Effective	03/16/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Joseph Howard, Attorney, Intellectual Property Rights Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8701

Michael Craig, Chief, Other Government Agency Branch, Department of the Treasury, Trade Compliance and Facilitation, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0370

**RIN:** 1505-AB50

BILLING CODE 4820-02-S

**Department of the Treasury (TREAS)**

**Prerule Stage**

**Financial Crimes Enforcement Network (FINCEN)**

**2420. 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	FR Cite
ANPRM	12/00/04	

**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

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

Proposed Rule Stage

**2421. 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	FR Cite
NPRM	12/00/04	

**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

**2422. 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	FR Cite
ANPRM	02/24/03	68 FR 8571
ANPRM Comment Period End	04/10/03	
NPRM	12/00/04	

**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

**2423. 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	FR Cite
NPRM	12/00/04	

**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

**2424. 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	FR Cite
ANPRM	02/24/03	68 FR 8568
ANPRM Comment Period End	04/10/03	
NPRM	12/00/04	

**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

**2425. • IMPOSITION OF SPECIAL MEASURES AGAINST A FINANCIAL INSTITUTION AND ITS SUBSIDIARIES AS A FINANCIAL INSTITUTION OF PRIMARY MONEY LAUNDERING CONCERN**

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

**Legal Authority:** 31 USC 5318A

**CFR Citation:** 31 CFR 103.189

**Legal Deadline:** None

**Abstract:** This document will prohibit certain U.S. financial institutions from maintaining correspondent or payable-through accounts in the U.S. for, or on behalf of, a foreign bank determined to be of primary money laundering concern.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**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

## TREAS—FINCEN

## Proposed Rule Stage

Fax: 703 905-3735

RIN: 1506-AA65

**2426. • IMPOSITION OF SPECIAL MEASURES AGAINST A FINANCIAL INSTITUTION AS A FINANCIAL INSTITUTION OF PRIMARY MONEY LAUNDERING CONCERN**

Priority: Substantive, Nonsignificant

Legal Authority: 31 USC 5318A

CFR Citation: 31 CFR 103.190

Legal Deadline: None

**Abstract:** This document will prohibit certain U.S. financial institutions from maintaining correspondent or payable-through accounts in the U.S. for, or on behalf of, a foreign financial institution determined to be of primary money laundering concern.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**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-AA67

**2427. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR TRAVEL AGENCIES**

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 travel agencies, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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

Related RIN: Split from 1506-AA28

RIN: 1506-AA69

**2428. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR LOAN AND FINANCE COMPANIES**

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 loan and finance companies, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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

Related RIN: Split from 1506-AA28

RIN: 1506-AA73

**2429. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR PERSONS INVOLVED IN REAL ESTATE CLOSINGS AND SETTLEMENTS**

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 persons involved in real estate closings and settlements, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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

Related RIN: Split from 1506-AA28

RIN: 1506-AA79

**2430. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR BUSINESSES ENGAGED IN VEHICLE SALES, INCLUDING AUTOMOBILES, AIRPLANE, AND BOAT SALES**

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 businesses engaged in vehicle sales, including automobile, airplane, and boat sales, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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

Related RIN: Split from 1506-AA28

RIN: 1506-AA80

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

Final Rule Stage

**2431. 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	FR Cite
NPRM	01/22/97	62 FR 3249
NPRM Comment Period End	04/22/97	
Final Action	12/00/04	

**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

**2432. 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	FR Cite
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	12/00/04	

**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

**2433. 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.

**Timetable:**

Action	Date	FR Cite
NPRM	12/31/01	66 FR 67685
Interim Final Rule	12/31/01	66 FR 67680
NPRM Comment Period End	03/01/02	
Final Action	12/00/04	

**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

**2434. 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 31 U.S.C., 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	FR Cite
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	12/00/04	

**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

**2435. 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



## TREAS—FINCEN

## Final Rule Stage

**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	FR Cite
NPRM	07/23/02	67 FR 48290
NPRM Comment Period End	09/06/02	
NPRM	05/09/03	68 FR 25163
Final Action	05/09/03	68 FR 25090
NPRM Comment Period End	06/23/03	
Final Action	12/00/04	

**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

**2436. 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

**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	FR Cite
NPRM	10/17/02	67 FR 64067

Action	Date	FR Cite
NPRM Comment Period End	12/16/02	
Final Action	10/00/04	

**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

**2437. 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	FR Cite
NPRM	01/21/03	68 FR 2716
NPRM Comment Period End	03/24/03	
Final Action	10/00/04	

**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

**2438. 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.

**Timetable:**

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

**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

**2439. FINANCIAL CRIMES ENFORCEMENT; AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—NOMENCLATURE CHANGES**

**Priority:** Info./Admin./Other. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 31 USC 5318 et seq

**CFR Citation:** 31 CFR 103

**Legal Deadline:** None

**Abstract:** This document amends 31 CFR part 103 to reflect changes to the structure of the Department of the Treasury.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

## TREAS—FINCEN

## Final Rule Stage

**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-AA61

**2440. • IMPOSITION OF SPECIAL MEASURES AGAINST THE COMMERCIAL BANK OF SYRIA AS A FINANCIAL INSTITUTION OF PRIMARY MONEY LAUNDERING CONCERN**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5318A

**CFR Citation:** 31 CFR 103.188

**Legal Deadline:** None

**Abstract:** This document will prohibit certain U.S. financial institutions from maintaining correspondent or payable-through accounts in the U.S. for, or on behalf of, a foreign bank determined to be of primary money laundering concern.

**Timetable:**

Action	Date	FR Cite
NPRM	05/18/04	69 FR 28098
NPRM Comment Period End	06/17/04	
Final Action	12/00/04	

**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-AA64

**2441. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR MUTUAL FUNDS**

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

**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 mutual funds, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA68

**2442. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR INSURANCE COMPANIES**

**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 insurance companies, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	10/00/04	

**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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA70

**2443. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR INVESTMENT ADVISORS**

**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 investment advisors, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA71

**2444. • AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR FINANCIAL INSTITUTIONS**

**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 financial institutions, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

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

## TREAS—FINCEN

## Final Rule Stage

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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA72

**2445. • AMENDMENTS TO THE BANK  
SECURITY ACT REGULATIONS—  
ANTI-MONEY LAUNDERING  
PROGRAMS FOR MONEY SERVICES  
BUSINESSES**

**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  
money services businesses, as defined  
in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA74

**2446. • AMENDMENTS TO THE BANK  
SECURITY ACT REGULATIONS—  
ANTI-MONEY LAUNDERING  
PROGRAMS FOR COMMODITY  
TRADING ADVISORS**

**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  
commodity trading advisors, as defined  
in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA75

**2447. • AMENDMENTS TO THE BANK  
SECURITY ACT REGULATIONS—  
ANTI-MONEY LAUNDERING  
PROGRAMS FOR OPERATORS OF A  
CREDIT CARD SYSTEM**

**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  
operators of a credit card system, as  
defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA76

**2448. • AMENDMENTS TO THE BANK  
SECURITY ACT REGULATIONS—  
ANTI-MONEY LAUNDERING  
PROGRAMS FOR UNREGISTERED  
INVESTMENT COMPANIES**

**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  
unregistered investment companies, as  
defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**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

**Related RIN:** Split from 1506-AA28,  
Previously reported as 1506-AA57

**RIN:** 1506-AA77

**2449. • AMENDMENTS TO THE BANK  
SECURITY ACT REGULATIONS—  
ANTI-MONEY LAUNDERING  
PROGRAMS FOR DEALERS IN  
PRECIOUS METALS, STONES, OR  
JEWELS**

**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  
dealers in precious metals, stones, or  
jewels, as defined in the Bank Secrecy  
Act.

**Timetable:**

Action	Date	FR Cite
Final Action	10/00/04	

**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

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA78

**Department of the Treasury (TREAS)**  
**Financial Crimes Enforcement Network (FINCEN)**
**Long-Term Actions**
**2450. 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	FR Cite
NPRM	05/21/97	62 FR 27909
NPRM Comment Period End	09/30/97	
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**
**2451. 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.

**Timetable:**

Action	Date	FR Cite
Actions Will Continue Under Separate Rulemakings	05/28/04	

**Anti-Money Laundering Programs for  
 Businesses Engaged in Vehicle Sales,  
 Including Automobile, Airplane, and Boat  
 Sales (1506-AA60)**

ANPRM 02/24/03 (68 FR 8568)  
 NPRM Comment Period End 04/10/03  
 Merged With 1506-AA80 05/28/04

**Anti-Money Laundering Programs for  
 Commodity Trading Advisors  
 (1506-AA55)**

NPRM 05/05/03 (68 FR 23640)  
 NPRM Comment Period End 07/07/03  
 Merged With 1506-AA75 05/28/04

**Anti-Money Laundering Programs for  
 Dealers in Precious Metals, Stones or  
 Jewels (1506-AA58)**

NPRM 02/21/03 (68 FR 8480)  
 NPRM Comment Period End 04/22/03  
 Merged With 1506-AA78 05/28/04

**Anti-Money Laundering Programs for  
 Financial Institutions (1506-AA52)**

Interim Final Rule 04/29/02 (67 FR 21110)  
 Interim Final Rule Comment Period End  
 05/29/02  
 Merged With 1506-AA72 05/28/04

**Anti-Money Laundering Programs for  
 Insurance Companies (1506-AA50)**

NPRM 09/26/02 (67 FR 60625)  
 NPRM Comment Period End 11/25/02  
 Merged With 1506-AA70 05/28/04

**Anti-Money Laundering Programs for  
 Investment Advisors (1506-AA51)**

NPRM 05/05/03 (68 FR 23646)  
 NPRM Comment Period End 07/07/03  
 Merged With 1506-AA71 05/28/04

**Anti-Money Laundering Programs for Loan  
 and Finance Companies (1506-AA53)**

Merged With 1506-AA73 05/28/04

**Anti-Money Laundering Programs for  
 Money Services Businesses (1506-AA54)**

Interim Final Rule 04/29/02 (67 FR 21114)  
 Interim Final Rule Comment Period End  
 05/29/02  
 Merged With 1506-AA74 05/28/04

**Anti-Money Laundering Programs for  
 Mutual Funds (1506-AA48)**

Interim Final Rule 04/29/02 (67 FR 21117)  
 Interim Final Rule Comment Period End  
 05/29/02  
 Merged With 1506-AA68 05/28/04

**Anti-Money Laundering Programs for  
 Operators of a Credit Card System  
 (1506-AA56)**

Interim Final Rule 04/29/02 (67 FR 21121)  
 Interim Final Rule Comment Period End  
 05/29/02  
 Merged With 1506-AA76 05/28/04

**Anti-Money Laundering Programs for  
 Persons Involved in Real Estate Closings  
 and Settlements (1506-AA59)**

ANPRM 04/10/03 (68 FR 17569)  
 ANPRM Comment Period End 06/09/03  
 Merged With 1506-AA79 05/28/04

**Anti-Money Laundering Programs for  
 Travel Agencies (1506-AA49)**

ANPRM 02/24/03 (68 FR 8571)  
 ANPRM Comment Period End 04/10/03  
 Merged With 1506-AA69 05/28/04

**Anti-Money Laundering Programs for  
 Unregistered Investment Companies  
 (1506-AA57)**

NPRM 09/26/02 (67 FR 60617)  
 NPRM Comment Period End 11/25/02  
 Merged With 1506-AA77 05/28/04

**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

**2452. FINANCIAL CRIMES  
 ENFORCEMENT NETWORK;  
 DELEGATION OF ENFORCEMENT  
 AUTHORITY REGARDING THE  
 FOREIGN BANK ACCOUNT REPORT  
 REQUIREMENTS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 103.56

**Completed:**

Reason	Date	FR Cite
Final Action	05/16/03	68 FR 26489

**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-AA45

**2453. IMPOSITION OF SPECIAL  
 MEASURES AGAINST MYANMAR  
 MAYFLOWER BANK AND ASIA  
 WEALTH BANK**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5318A

**CFR Citation:** 31 CFR 103.187

**Legal Deadline:** None

**Abstract:** This document will prohibit  
 certain U.S. financial institutions from  
 maintaining correspondent or payable-  
 through accounts in the U.S. for, or on  
 behalf of, Myanmar Mayflower Bank  
 and Asia Wealth Bank.

## TREAS—FINCEN

## Completed Actions

## Timetable:

Action	Date	FR Cite
NPRM	11/18/03	68 FR 66305
NPRM Comment Period End	12/26/03	
Final Action	04/12/04	69 FR 19098

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-AA63

BILLING CODE 4810-35-S

## Department of the Treasury (TREAS)

## Proposed Rule Stage

## Financial Management Service (FMS)

2454. 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 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 nonreceipt 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. The NPRM is on hold pending implementation of the Expanded Check Forgery Insurance Fund Legislation (CFIF) and the Treasury Check Information System (TCIS).

## Timetable:

Action	Date	FR Cite
NPRM	01/00/05	

## 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

2455. 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 noncompliance to the Treasury's General Fund.

## Timetable:

Action	Date	FR Cite
NPRM	09/00/04	

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

2456. 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	FR Cite
NPRM	09/00/04	

## 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)**  
**Financial Management Service (FMS)**

Final Rule Stage

**2457. 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	FR Cite
NPRM	01/29/96	61 FR 2750
NPRM Comment Period End	02/28/96	
Final Action	09/00/04	

**Regulatory Flexibility Analysis Required:** 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

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

**2458. 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	FR Cite
NPRM	01/08/96	61 FR 552
NPRM Comment Period End	02/07/96	
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Vivian Cooper, 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: vivian.cooper@fms.treas.gov

**RIN:** 1510-AA52

**2459. 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	FR Cite
Interim Final Rule	12/26/02	67 FR 78936
Final Rule	04/00/05	

**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

Fax: 202 874-7494

Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA65

**2460. 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	FR Cite
Interim Final Rule	04/28/98	63 FR 23353
Final Action	04/00/05	

**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

Fax: 202 874-7494

Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA70

**2461. 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

## TREAS—FMS

## Final Rule Stage

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

**Timetable:**

Action	Date	FR Cite
NPRM	12/20/99	64 FR 71233
Interim Final Rule	12/20/99	64 FR 71227
Final Action	04/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** State, Federal

**Federalism:** Undetermined

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt Management Service, Department of The Treasury, Department of the Treasury, Financial Management Service, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-6804  
Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA78

**2462. 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	FR Cite
Interim Final Rule	02/00/05	

**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

**2463. FEDERAL GOVERNMENT PARTICIPATION IN THE AUTOMATED CLEARING HOUSE (ACH)**

**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

**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:** The Department of the Treasury, Financial Management Service (FMS), is amending its rule governing the use of the Automated Clearing House (ACH) system by Federal agencies. This proposed rule would amend 31 CFR part 210 to provide that, as of an effective date to be specified, any check received by a Federal agency may be converted to an ACH debit entry. The proposed rule would request comment on a plan whereby FMS would provide notice of check conversion to the general public through agency and financial institution web sites, the Federal Register, on agency forms, and in radio, television, and media announcements.

**Timetable:**

Action	Date	FR Cite
NPRM	08/21/03	68 FR 50671
NPRM Comment Period End	10/20/03	
Final Action	09/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**URL For More Information:**

[www.fms.treas.gov/ach](http://www.fms.treas.gov/ach)

**URL For Public Comments:**

(do not use <http://>)  
[210comments@fms.treas.gov](mailto:210comments@fms.treas.gov)

**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-AA98

**2464. • INDORSEMENT AND PAYMENT OF CHECKS DRAWN ON THE U.S. TREASURY**

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

**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

**CFR Citation:** 31 CFR 240

**Legal Deadline:** None

**Abstract:** The Interim Rule will amend 31 CFR part 240 in order to permit financial institutions to present Treasury checks for payment by providing an electronic image of the check in lieu of the original item. The rule will establish the terms and conditions that will apply to the electronic image presentment of Treasury checks. In addition, the rule will address certain issues related to the presentment of substitute Treasury checks pursuant to the Check Clearing for the 21st Century Act, including the procedures that Treasury will follow upon a breach of the Act's substitute check warranties and the procedures that will apply if the Government incurs a loss due to the receipt of a substitute Treasury check rather than the original check.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	09/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Ronald Lee Brooks, Senior Program and Policy Analyst, Department of the Treasury, Financial Management Service, Financial Processing Division, 3700 East West Highway, Room 7D26, Hyattsville, MD 20782-2294  
Phone: 202 874-7573  
Fax: 202 874-2294  
Email: [ronald.brooks@fms.treas.gov](mailto:ronald.brooks@fms.treas.gov)

**Related RIN:** Related to 1510-AA51

**RIN:** 1510-AA99

**Department of the Treasury (TREAS)**  
**Financial Management Service (FMS)**
**Long-Term Actions**
**2465. 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

**2466. PUBLIC DISSEMINATION OF IDENTITY OF DELINQUENT DEBTORS**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 31 CFR 285.14  
**Timetable:**

Action	Date	FR Cite
Next Action Undetermined		

**Regulatory Flexibility Analysis Required:** No  
**Government Levels Affected:** Federal  
**Agency Contact:** Gerry Isenberg  
 Phone: 202 874-7131

Fax: 202 874-7494  
 Email: gerald.isenberg@fms.treas.gov  
**RIN:** 1510-AA72

**2467. SURETY BOND REIMBURSEMENT FUND**

**Priority:** Substantive, Nonsignificant.  
 Major status under 5 USC 801 is undetermined.  
**CFR Citation:** 31 CFR 223  
**Timetable:**

Action	Date	FR Cite
Next Action Undetermined		

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None  
**Federalism:** Undetermined

**Agency Contact:** Vivian Cooper  
 Phone: 202 874-8380  
 Email: vivian.cooper@fms.treas.gov  
**RIN:** 1510-AA85

**2468. PAYMENT OF FEDERAL TAXES AND THE TREASURY TAX AND LOAN PROGRAM**

**Priority:** Substantive, Nonsignificant.  
 Major status under 5 USC 801 is undetermined.  
**CFR Citation:** 31 CFR 203

**Timetable:**

Action	Date	FR Cite
Next Action Undetermined		

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Catherine McHugh  
 Phone: 202 874-7497  
 Email: catherine.mchugh@fms.treas.gov  
**RIN:** 1510-AA96

**2469. FEDERAL GOVERNMENT PARTICIPATION IN THE AUTOMATED CLEARING HOUSE (ACH)**

**Priority:** Substantive, Nonsignificant.  
 Major status under 5 USC 801 is undetermined.  
**CFR Citation:** 31 CFR 210

**Timetable:**

Action	Date	FR Cite
Next Action Undetermined		

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Catherine McHugh  
 Phone: 202 874-7497  
 Email: catherine.mchugh@fms.treas.gov  
**RIN:** 1510-AA97

**Department of the Treasury (TREAS)**  
**Financial Management Service (FMS)**
**Completed Actions**
**2470. INDORSEMENT AND PAYMENT OF CHECKS DRAWN ON THE U.S. TREASURY**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 31 CFR 240  
**Completed:**

Reason	Date	FR Cite
Final Action	04/01/04	69 FR 17271

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Ronald E. Brooks  
 Phone: 202 874-7573  
 Email: ronald.brooks@fms.treas.gov  
**RIN:** 1510-AA45

**2471. PAYMENT OF FEDERAL TAXES AND THE TREASURY TAX AND LOAN PROGRAM**

**Priority:** Substantive, Nonsignificant  
**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 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. The second rule amended the regulation to provide the Secretary greater flexibility to adjust the rate of interest charged on funds loaned through the Treasury Tax and Loan (TT&L) program. It also allows for a new TT&L investment option for financial institutions.

**Timetable:**

Action	Date	FR Cite
Actions Will Continue Under Separate Rulemakings	06/11/04	

**General Revisions (1510-AA92)**  
 Merged With 1510-AA79 05/28/04



## TREAS—FMS

## Completed Actions

**Treasury Tax and Loan Rate of Interest (1510-AA93)**

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  
**BILLING CODE** 4810-25-S

## Department of the Treasury (TREAS)

## Proposed Rule Stage

## Alcohol and Tobacco Tax and Trade Bureau (TTB)

**2472. REVISION OF BREWERY REGULATIONS AND ISSUANCE OF REGULATIONS FOR TAVERNS ON BREWERY PREMISES (BREW PUBS)**

**Priority:** Substantive, Nonsignificant

**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.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 45797, Philadelphia, PA 19149  
Phone: 215 333-7050  
Fax: 215 333-8871  
Email: joanne.brady@ttb.treas.gov

**RIN:** 1513-AA02

**2473. 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	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8181  
Fax: 202 927-8525  
Email: wade-chapman.linda@ttb.gov

**RIN:** 1513-AA16

**2474. PROPOSED REVISIONS TO THE DISTILLED SPIRITS PLANT REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**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	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Room 200E, Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: daniel.hiland@ttb.gov

**RIN:** 1513-AA23

## TREAS—TTB

## Proposed Rule Stage

**2475. 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	FR Cite
NPRM	07/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: timothy.devanny@ttb.gov

**RIN:** 1513-AA24**2476. REGULATORY CHANGES FROM CUSTOMS SERVICE FINAL RULE****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 final rule (T.D. 92-181, 57 FR 37692), published by the former U.S. Customs Service (USCS). 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 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	FR Cite
NPRM	12/00/04	
Interim Final Rule	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8181

Fax: 202 927-8525

Email: wade-chapman.linda@ttb.gov

**RIN:** 1513-AA26**2477. 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	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8181

Fax: 202 927-8525

Email: wade-chapman.linda@ttb.gov

**RIN:** 1513-AA27**2478. TAX-PAID 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 tax-paid distilled spirits used to manufacture nonbeverage products to allow manufacturers to use natural and artificial one 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	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8181

Fax: 202 927-8525

## TREAS—TTB

## Proposed Rule Stage

Email: wade-chapman.linda@ttb.gov

RIN: 1513-AA37

#### 2479. 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	FR Cite
NPRM	08/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

Phone: 540 344-9333

Fax: 540 344-5855

Email: jennifer.berry@ttb.gov

RIN: 1513-AA42

#### 2480. 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	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8181

Fax: 202 927-8525

Email: wade-chapman.linda@ttb.gov

RIN: 1513-AA49

#### 2481. 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	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8181

Fax: 202 927-8525

Email: wade-chapman.linda@ttb.gov

RIN: 1513-AA51

#### 2482. 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	FR Cite
NPRM	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8181

Fax: 202 927-8525

Email: wade-chapman.linda@ttb.gov

RIN: 1513-AA52

## TREAS—TTB

## Proposed Rule Stage

**2483. 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	FR Cite
NPRM	07/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: timothy.devanny@ttb.gov

**RIN:** 1513-AA54**2484. 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	FR Cite
NPRM	07/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: timothy.devanny@ttb.gov

**RIN:** 1513-AA55**2485. 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:** The proposed 27,500-acre Fort Ross-Seaview viticultural area is in the North Coast and Sonoma Coast viticultural areas. It is approximately 65 miles north-northwest from San Francisco, close to the Pacific coastline. A significant distinguishing factor of the viticultural area, based on its 920 feet and 1,800 feet elevations, is the sunny and warm growing season that contrasts to the surrounding foggy and cooler lower elevations. The draft notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

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

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA64**2486. 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:** The proposed Alexander Mountain 5,990-acre viticultural area, with 720 acres of winegrape cultivation, is approximately 65 miles north of San Francisco, California. It is totally within the Alexander Valley, North Sonoma and North Coast viticultural areas. It has elevations above the Alexander Valley floor, a mountain climate, and varying terrain orientations for multiple solar exposures. The draft notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	09/00/04	

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

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA65**2487. 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

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Craig and portions of Ottawa, Delaware, and Hayes Counties.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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

**Agency Contact:** Timothy P.

DeVanney, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: timothy.devanney@ttb.gov

**RIN:** 1513-AA66

**2488. 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:** The proposed Russian River Valley viticultural area expansion increases the original boundaries by 30,200 acres to the east and south sides. The notice of proposed rulemaking is in review.

Earlier TTB received a separate Russian River Valley viticultural area expansion petition (RIN 1513-AA68) for a 767-acre expansion. This area is incorporated in the larger 30,200-acre expansion noted above. The final rule was effective February 2, 2004.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**Related RIN:** Related to 1513-AA68

**RIN:** 1513-AA67

**2489. 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 requests comments concerning the proposed establishment of the "Shawnee Hills" viticultural area in southern Illinois. The proposed Shawnee Hills viticultural area is approximately 80 miles long from the Ohio River on the east to the Mississippi River on the west, and approximately 20 miles wide from north to south. Approximately 160 acres are planted with wine varietals.

**Timetable:**

Action	Date	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Rita Butler, Writer-Editor, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Room 200E, Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: rita.butler@tt.treas.gov

**RIN:** 1513-AA70

**2490. PROPOSED AMENDED BOUNDARIES FOR THE SANTA LUCIA HIGHLANDS AND THE ARROYO SECO VITICULTURAL AREA**

**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. The proposed boundary change extends portions of the Santa Luca Highlands viticultural area and curtails the Arroyo Seco viticultural area. A notice of proposed rulemaking is being drafted.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA72

**2491. PETITION TO ESTABLISH "TEXOMA" AS A VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** We have received a petition for the establishment of a viticultural area in north central Texas to be called "Texoma."

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

Phone: 540 344-9333

Fax: 540 344-5855

Email: jennifer.berry@ttb.gov

**RIN:** 1513-AA77

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**2492. PETITION TO ESTABLISH THE "HIGH VALLEY" 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 "High Valley" viticultural area, which is located about 85 miles north of San Francisco, California, on the eastern shore of Clear Lake. A notice of proposed rulemaking is in TTB review.

**Timetable:**

Action	Date	FR Cite
NPRM	09/00/04	

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

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA79**2493. • PROPOSED ESTABLISHMENT OF ALTA MESA VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 55,400-acre "Alta Mesa" viticultural area in the north central portion of the established Lodi viticultural area. The most distinguishing features of the area include "Alta Mesa," a table-top landform, and San Joaquin soil series that dominates 90 percent of the land. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area boundaries. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

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

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA82**2494. • PROPOSED ESTABLISHMENT OF THE COSUMNES RIVER VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes to establish the 54,700-acre "Cosumnes River" viticultural area in the northwest portion of the established Lodi viticultural area. The most distinguishing features of the area include the cool and windy climate, alluvial soils, and low elevation terrain. The Committee is petitioning for seven new viticultural areas within the boundaries of the original Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

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

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA83**2495. • PROPOSED ESTABLISHMENT OF DEER CREEK HILLS VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes to establish the 78,800-acre "Deer Creek Hills" viticultural area within the northeast portion of the established Lodi viticultural area. The distinctive viticultural environment of the proposed Deer Creek Hills viticultural area includes warm temperatures, significant rain and fog, high elevations and old soils. The Committee is petitioning for seven new viticultural areas within the original boundaries of the Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

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

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA84**2496. • PROPOSED ESTABLISHMENT OF MOKELUMNE RIVER VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 85,700-acre "Mokelumne River" viticultural area in the southwest portion of the established Lodi viticultural area. The most distinguishing factors of the area include the alluvial fan with its

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topography and geology in contrast to the surrounding areas, and the cool, breezy climate. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA85

**2497. • PROPOSED ESTABLISHMENT OF JAHANT VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 28,000-acre "Jahant" viticultural area, located in the central-west portion of the established Lodi viticultural area. The most distinguishing features of the area are the pink Jahant loam soil with its unique grape-growing qualities, the terrain with its river terraces and old floodplain deposits, and the cool, dry and windy climate. The Committee is petitioning for seven new viticultural areas within the boundaries of the original Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the

Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA86

**2498. • PROPOSED ESTABLISHMENT OF BORDEN RANCH VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 70,000-acre "Borden Ranch" viticultural area in the east central portion of the Lodi viticultural area. The most distinctive features include old alluvial fans, river terraces and plains, high elevations and a windswept climate. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area boundaries. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA87

**2499. • PROPOSED ESTABLISHMENT OF CLEMENTS HILLS VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 84,500-acre "Clements Hills" viticultural area in the southeast portion of the established Lodi viticultural area. It is a topographic transition area between the low and flat San Joaquin Valley floor to the west and the progressively more mountainous Sierra Foothills to the east. The most distinguishing features of the Clements Hills area are the high elevation river terraces and rounded hilltops. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area boundaries. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA88

**2500. • PROPOSED ESTABLISHMENT OF THE MT. OSO VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The proposed Mt. Oso viticultural area, about 15 miles long and 5 miles wide with 1,005 acres of vineyards, is nestled in the foothills between the San Joaquin Valley and the Diablo Range in San Joaquin and Stanislaus counties. The sloping hillside topography includes streams and alluvial fans and plains. The distinguishing climatic features of this 38,414-acre proposed area include limited rainfall and persistent winds, along with sparse fog, frost and dew. A notice of proposed rulemaking is being reviewed.

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**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

**Agency Contact:** Nancy Sutton, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

RIN: 1513-AA89

**2501. • PROPOSED ESTABLISHMENT OF COVELO VITICULTURAL AREA**

Priority: Substantive, Nonsignificant

Legal Authority: 27 USC 205

CFR Citation: 27 CFR 9

Legal Deadline: None

**Abstract:** Ralph Carter of Sonoma, California is petitioning to establish Covelo as an American viticultural area. Covelo area is 164 miles north of San Francisco and immediately south of the Round Valley Indian Reservation in northern CA. The proposed area has 38,000 acres with two acres of planted grape vines, but more area that the petitioner believes has good viticultural potential. The distinctive features include the bowl-shape of the Covelo valley area that contrasts to the narrow valleys, with north-south orientations, commonly found in Mendocino County. Also, it has a short grape-growing season when compared to other Mendocino County viticultural areas. A notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	08/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

RIN: 1513-AA90

**2502. • PROPOSED ESTABLISHMENT OF HORSE HEAVEN HILLS**

Priority: Substantive, Nonsignificant

Legal Authority: 27 USC 205

CFR Citation: 27 CFR 9

Legal Deadline: None

**Abstract:** Paul D. Lucas is proposing the establishment of the 570,000-acre Horse Heaven Hills viticultural area. It is in the southern central part of Washington, east of the Cascade Mountain Range and north and west of the Columbia River, and is entirely within the Columbia Valley viticultural area. The Horse Heaven Hills area is noted for its series of south facing slopes and significant wind patterns. A notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	08/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

RIN: 1513-AA91

**2503. • PETITION TO ESTABLISH "CALISTOGA" AS AN AMERICAN VITICULTURAL AREA**

Priority: Substantive, Nonsignificant

Legal Authority: 27 USC 205

CFR Citation: 27 CFR 9

Legal Deadline: None

**Abstract:** In response to a petition, the Alcohol and Tobacco Tax and Trade Bureau proposes to establish the Calistoga viticultural area in Calistoga, Napa Valley, California. We designate viticultural areas to allow bottlers to better describe the origin of wines and

allow consumers to better identify the wines they may purchase. We invite comments on this proposed addition to our regulations, particularly from bottlers who use brand names similar to Calistoga.

**Timetable:**

Action	Date	FR Cite
NPRM	09/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660  
Phone: 301 290-1460  
Fax: 301 290-1463  
Email: lisa.gesser@ttb.treas.gov

RIN: 1513-AA92

**2504. • RAMONA VALLEY VITICULTURAL AREA**

Priority: Substantive, Nonsignificant

Legal Authority: 27 USC 205

CFR Citation: 27 CFR 9

Legal Deadline: None

**Abstract:** The proposed 89,000-acre Ramona Valley viticultural area is in San Diego County, CA, and totally within the established, larger South Coast viticultural area. The distinguishing factors of the Ramona Valley area, according to the petition, include its high-elevation geography, climate that is based primarily on its inland location, and soils, to a lesser extent. There are currently 45 acres of vineyards in commercial production. A notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	
NPRM Comment Period End	02/00/05	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E,



## TREAS—TTB

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1310 G Street NW., Washington, DC 20220  
 Phone: 202 927-8210  
 Fax: 202 927-8525  
 Email: nancy.sutton@ttb.gov  
 RIN: 1513-AA94

**2505. • DOS RIOS VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant  
**Legal Authority:** 27 USC 205  
**CFR Citation:** 27 CFR 9  
**Legal Deadline:** None

**Abstract:** Ralph Jens Carter of Sonoma, California, is proposing the new Dos Rios AVA, located about 5 miles beyond the northern boundary of the

North Coast AVA. Dos Rios is about 150 miles north of San Francisco and 25 miles east of the Pacific Ocean. The distinguishing factors of the Dos Rios area include significant wind patterns, a transitional climate, elevations between 800 feet and 2000 feet, sloping terrains with 30 percent to 75 percent inclines, relatively infertile soils, and close proximity to two rivers. The petitioner states the area has six acres of planted commercial vineyards and the potential for more viticultural growth. A notice of proposed rulemaking is being drafted.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

Action	Date	FR Cite
NPRM Comment Period End	02/00/05	

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

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220  
 Phone: 202 927-8210  
 Fax: 202 927-8525  
 Email: nancy.sutton@ttb.gov  
 RIN: 1513-AA95

## Department of the Treasury (TREAS)

## Final Rule Stage

## Alcohol and Tobacco Tax and Trade Bureau (TTB)

## ALCOHOL

**2506. 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	FR Cite
NPRM	01/23/03	68 FR 3199
NPRM Comment Period End	03/24/03	
Final Action	09/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660

Phone: 301 290-1460  
 Fax: 301 290-1463  
 Email: lisa.gesser@ttb.treas.gov

RIN: 1513-AA45

**Administrative/Procedures****2507. ADMINISTRATIVE CHANGES TO ALCOHOL, TOBACCO, AND FIREARMS REGULATIONS DUE TO THE HOMELAND SECURITY ACT OF 2002****Priority:** Info./Admin./Other**Legal Authority:** PL 107-296; ...**CFR Citation:** 27 CFR 1; 27 CFR 4; 27 CFR 5; 27 CFR 6; 27 CFR 8; ...**Legal Deadline:** None

**Abstract:** The Homeland Security Act of 2002 divided the Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, into two separate agencies, the Bureau of Alcohol, Tobacco, Firearms and Explosives in the Department of Justice, and the Alcohol and Tobacco Tax and Trade Bureau in the Department of the Treasury. Due to these changes, this final rule amends the Alcohol and Tobacco Tax and Trade Bureau's regulations to reflect the Bureau's new name and organizational structure.

**Timetable:**

Action	Date	FR Cite
Final Action	09/00/04	
Final Action Effective	09/00/04	

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

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660  
 Phone: 301 290-1460  
 Fax: 301 290-1463  
 Email: lisa.gesser@ttb.treas.gov  
 RIN: 1513-AA80

**2508. 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

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tobacco products. Also, minor technical amendments have been included in this rule.

**Timetable:**

Action	Date	FR Cite
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	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8181  
Fax: 202 927-8525  
Email: wade-chapman.linda@ttb.gov  
**RIN:** 1513-AA10

**2509. FLAVORED MALT BEVERAGES AND RELATED PROPOSALS**

**Priority:** Substantive, Nonsignificant

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

**CFR Citation:** 27 CFR 7; 27 CFR 25

**Legal Deadline:** None

**Abstract:** TTB issued ATF Rulings 96-1 and 2002-2 to address production and labeling of flavored malt beverages that derive their alcohol content from flavoring materials. TTB has studied the issue of flavored malt beverages and is proposing rules to limit the contribution of distilled spirits derived from flavoring materials in flavored malt beverages. These proposals address production, identity, labeling, formulation, and tax issues related to flavored malt beverages.

**Timetable:**

Action	Date	FR Cite
NPRM	03/24/03	68 FR 14292
NPRM Comment Period End	06/23/03	
NPRM Comment Period End Extended	06/02/03	68 FR 32698

Action	Date	FR Cite
Extended Comment Period End	10/21/03	
Final Action	12/00/04	
Final Action Effective	01/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC11

**URL For Public Comments:**

<http://www.ttb.gov/foia/nprm1comments/ttbnotice041comments.htm>

**Agency Contact:** Charles N. Bacon, Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 5056, Beverly Farms, MA 01915  
Phone: 978 921-1840  
Fax: 978 921-1840  
Email: charles.bacon@ttb.treas.gov  
**RIN:** 1513-AA12

**2510. 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	FR Cite
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	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8181  
Fax: 202 927-8525  
Email: wade-chapman.linda@ttb.gov  
**RIN:** 1513-AA17

**2511. ELIMINATION OF STATISTICAL CLASSES FOR LARGE CIGARS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 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	FR Cite
NPRM	11/05/02	67 FR 67340
NPRM Comment Period End	12/05/02	
Final Action	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8181  
Fax: 202 927-8525  
Email: wade-chapman.linda@ttb.gov  
**RIN:** 1513-AA18

**2512. 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.

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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	FR Cite
Final Action	06/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Room 200E, Washington, DC 20220  
Phone: 202 927-7460  
Fax: 202 927-8525  
Email: karl.joedicke@ttb.gov

**RIN:** 1513-AA19**2513. 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) 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. Final ruling is in review.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC46

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA20**2514. 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	FR Cite
NPRM	07/02/03	68 FR 39500
NPRM Comment	09/02/03	
Period End		
Final Action	07/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

Phone: 540 344-9333

Fax: 540 344-5855

Email: jennifer.berry@ttb.gov

**RIN:** 1513-AA21**2515. PROPOSED "SAN BERNABE" VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** 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 San Lucas realignment will transfer 1,100 northwest acres to the San Bernabe southern area in an effort to conform with the geography of the new area. No comments were received in response to the notice of proposed rulemaking and the draft final rule is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	05/14/03	68 FR 25851
NPRM Comment	07/14/03	
Period End		
Final Action	09/00/04	

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

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA28**2516. 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.

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**Timetable:**

Action	Date	FR Cite
NPRM	12/17/03	68 FR 70215
NPRM Comment Period End	02/17/04	
Final Action	10/00/04	

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

**Agency Contact:** Timothy P. DeVanney, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: timothy.devanney@ttb.gov

RIN: 1513-AA29

**2517. 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	FR Cite
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	08/00/04	

**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, Alcohol and Tobacco Tax and Trade

Bureau, P.O. Box 18152, Roanoke, VA 24014

Phone: 540 344-9333

Fax: 540 344-5855

Email: jennifer.berry@ttb.gov

RIN: 1513-AA32

**2518. PETITION TO ESTABLISH "RED HILLS LAKE COUNTY" AMERICAN VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The comment period for the Red Hills (California) 31,250-acre proposed viticultural area closed in March 2003. Based on the 14 public comments and requests by the petitioning group, the name will be finalized as Red Hills Lake County, to better identify the location of the viticultural area. The originally petitioned boundaries will be expanded to the northwest to include Benson Ridge. A draft final rule is in review.

**Timetable:**

Action	Date	FR Cite
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	09/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

RIN: 1513-AA33

**2519. 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	FR Cite
NPRM	10/30/02	67 FR 66079
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	12/00/04	

**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, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: timothy.devanney@ttb.gov

RIN: 1513-AA39

**2520. 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	FR Cite
NPRM	09/08/03	68 FR 52875
NPRM Comment Period End	11/07/03	
Comment Period Extended	11/07/03	68 FR 63042
Extended Comment Period End	01/06/04	
Final Action	10/00/04	

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**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, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

Phone: 540 344-9333

Fax: 540 344-5855

Email: jennifer.berry@ttb.gov

RIN: 1513-AA41

**2521. 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 were due March 27, 2003.**Timetable:**

Action	Date	FR Cite
NPRM	10/08/02	67 FR 62860
Temporary Rule	10/08/02	67 FR 62856
NPRM Comment Period Reopened	12/27/02	67 FR 79011
NPRM Comment Period Reopened	05/09/03	68 FR 24903
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC87**Agency Contact:** Marjorie D. Ruhf, Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8210  
Fax: 202 927-8525

Email: marjorie.ruhf@ttb.gov

RIN: 1513-AA46

**2522. 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. The notice of proposed rulemaking published August 15, 2003. The final notice is in TTB review.**Timetable:**

Action	Date	FR Cite
NPRM	08/15/03	68 FR 48839
NPRM Comment Period End	10/14/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AC91**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

RIN: 1513-AA50

**2523. 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. A draft final rule is being prepared.**Timetable:**

Action	Date	FR Cite
NPRM	10/07/03	68 FR 57840
NPRM Comment Period End	12/08/03	
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AD02**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

RIN: 1513-AA57

**2524. 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. A draft final rule is being prepared.**Timetable:**

Action	Date	FR Cite
NPRM	11/03/03	68 FR 62259
NPRM Comment Period End	01/02/04	
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None

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**Additional Information:** Transferred from RIN 1512-AD03

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA58

### 2525. 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. Draft final ruling is being prepared.

**Timetable:**

Action	Date	FR Cite
NPRM	10/07/03	68 FR 57845
NPRM Comment Period End	12/08/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AD04

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA59

### 2526. LABELING AND ADVERTISING OF MALT BEVERAGES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 7

**Legal Deadline:** None

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

**Timetable:**

Action	Date	FR Cite
NPRM	06/27/02	67 FR 43496
NPRM Comment Period End	08/26/02	
NPRM Comment Period Extended	08/27/02	67 FR 54388
NPRM Comment Period End	09/25/02	
Final Action	09/00/04	
Final Action Effective	10/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

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

**URL For Public Comments:**

www.ttba.gov/foia/nprmlcomments/notice9461comments.htm

**Agency Contact:** Charles N. Bacon, Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 5056, Beverly Farms, MA 01915

Phone: 978 921-1840

Fax: 978 921-1840

Email: charles.bacon@ttb.treas.gov

**RIN:** 1513-AA60

### 2527. 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	FR Cite
NPRM	06/27/03	68 FR 38248
NPRM Comment Period End	08/26/03	
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

Phone: 540 344-9333

Fax: 540 344-5855

Email: jennifer.berry@ttb.gov

**RIN:** 1513-AA63

### 2528. 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 received a petition to establish the Salado Creek viticultural area in Stanislaus County, California. The proposed 2,940-acre viticultural area is about 75 miles east-southeast of San Francisco and 18 miles southwest of Modesto. The notice of proposed rulemaking is in Main Treasury review.

**Timetable:**

Action	Date	FR Cite
NPRM	10/30/03	
NPRM Comment Period End	12/29/03	68 FR 61776
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**RIN:** 1513-AA69

### 2529. PETITION TO ESTABLISH "SOUTHERN OREGON" AS A VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB proposes to establish the Southern Oregon viticultural area in

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portions of Douglas, Jackson, and Josephine Counties in southwestern Oregon. A final rule is in TTB review.

**Timetable:**

Action	Date	FR Cite
NPRM	09/18/03	68 FR 54696
NPRM Comment Period End	11/17/03	
Final Action	09/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Coordinator, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

Phone: 202 927-8210

Fax: 202 927-8525

Email: nancy.sutton@ttb.gov

**Related RIN:** Previously reported as 1512-AC81

**RIN:** 1513-AA75

**2530. • REMOVAL OF REQUIREMENT TO DISCLOSE SACCHARIN IN THE LABELING OF WINE, DISTILLED SPIRITS AND MALT BEVERAGE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

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

**Legal Deadline:** None

**Abstract:** This final rule amends the Alcohol and Tobacco Tax and Trade Bureau's labeling regulations to remove the requirement for bottlers of beer, wine, and distilled spirits to show a warning on products containing saccharin. The regulatory amendments

in this document reflect the National Toxicology Program's revised findings about saccharin and the removal of the statutory requirement for the warning.

**Timetable:**

Action	Date	FR Cite
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660

Phone: 301 290-1460

Fax: 301 290-1463

Email: lisa.gesser@ttb.treas.gov

**RIN:** 1513-AA93

## Department of the Treasury (TREAS)

## Long-Term Actions

## Alcohol and Tobacco Tax and Trade Bureau (TTB)

## ALCOHOL

**2531. PROHIBITION OF ALCOHOL BEVERAGE CONTAINERS AND STANDARD OF FILL FOR DISTILLED SPIRITS AND WINE**

**Priority:** Substantive, Nonsignificant

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

**Timetable:**

Action	Date	FR Cite
NPRM	02/09/99	64 FR 6486
NPRM Comment Period End	04/12/99	
Revised NPRM-Aggregate Packaging	08/00/05	
Revised NPRM-Deceptive Packaging	08/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser  
Phone: 301 290-1460  
Fax: 301 290-1463  
Email: lisa.gesser@ttb.treas.gov

**RIN:** 1513-AA07

**2532. EXPORTATION OF LIQUORS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 252

**Timetable:**

Action	Date	FR Cite
ANPRM	09/08/92	57 FR 40887
ANPRM Comment Period End	10/08/92	
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	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Joanne Brady  
Phone: 215 333-7050  
Fax: 215 333-8871  
Email: joanne.brady@ttb.treas.gov

**RIN:** 1513-AA00

**2533. IMPLEMENTATION OF WINE CREDIT PROVISIONS OF PUBLIC LAW 104-188**

**Priority:** Substantive, Nonsignificant

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

**Timetable:**

Action	Date	FR Cite
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	To Be Determined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Marjorie D. Ruhf  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: marjorie.ruhf@ttb.gov

**RIN:** 1513-AA05

TREAS—TTB

Long-Term Actions

**2534. 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  
**CFR Citation:** 27 CFR 24.66; 27 CFR 24.295; 27 CFR 24.312

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	To Be	Determined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Marjorie D. Ruhf  
 Phone: 202 927-8210  
 Fax: 202 927-8525  
 Email: marjorie.ruhf@ttb.gov

**RIN:** 1513-AA06

**2535. AMENDED STANDARD OF IDENTITY FOR SHERRY**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 27 CFR 4

**Timetable:**

Action	Date	FR Cite
NPRM	To Be	Determined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Marjorie D. Ruhf  
 Phone: 202 927-8210  
 Fax: 202 927-8525  
 Email: marjorie.ruhf@ttb.gov

**RIN:** 1513-AA08

**2536. PROHIBITED MARKS ON PACKAGES OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES IMPORTED OR BROUGHT INTO THE UNITED STATES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 275

**Timetable:**

Action	Date	FR Cite
NPRM	To Be	Determined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Linda Wade-Chapman  
 Phone: 202 927-8181  
 Fax: 202 927-8525  
 Email: wade-chapman.linda@ttb.gov

**RIN:** 1513-AA14

**2537. REMOVAL OF REQUIREMENT TO DISCLOSE SACCHARIN IN THE LABELING OF WINE, DISTILLED SPIRITS, AND MALT BEVERAGES**

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

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

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Marjorie D. Ruhf  
 Phone: 202 927-8210  
 Fax: 202 927-8525  
 Email: marjorie.ruhf@ttb.gov

**RIN:** 1513-AA15

**2538. ELIMINATE REQUIREMENT TO ENROLL TO PRACTICE BEFORE THE BUREAU**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 8

**Timetable:**

Action	Date	FR Cite
Final Action	To Be	Determined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Timothy P. DeVanney  
 Phone: 202 927-8210  
 Fax: 202 927-8525  
 Email: timothy.devaney@ttb.gov

**RIN:** 1513-AA62

Department of the Treasury (TREAS)

Completed Actions

Alcohol and Tobacco Tax and Trade Bureau (TTB)

**2539. ALCOHOLIC CONTENT LABELING FOR MALT BEVERAGES**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 27 CFR 7

**Completed:**

Reason	Date	FR Cite
Withdrawn	04/29/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Bernard J. Kipp  
 Phone: 503 356-1341  
 Fax: 503 356-8664  
 Email: bernard.kipp@ttb.gov

**RIN:** 1513-AA01

**2540. SAKE REGULATIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** Not Yet Determined

**Completed:**

Reason	Date	FR Cite
Withdrawn	04/29/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Ramona Hupp  
 Phone: 202 927-8210  
 Fax: 202 927-8602

Email: ramona.hupp@ttb.treas.gov

**RIN:** 1513-AA11

**2541. PETITION TO ESTABLISH "SENECA LAKE" AS AN AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	07/03/03	68 FR 39833

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No



## TREAS—TTB

## Completed Actions

**Government Levels Affected:** None

**Agency Contact:** Kristy Colon  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: kristy.colon@ttb.treas.gov  
**RIN:** 1513-AA34

**2542. PETITION TO ESTABLISH  
“BENNETT VALLEY” AS AN  
AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	10/30/03	68 FR 61745

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov  
**RIN:** 1513-AA36

**2543. PETITION TO CHANGE THE  
TEMECULA VITICULTURAL AREA'S  
NAME TO TEMECULA VALLEY**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	04/19/04	69 FR 20823

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov  
**RIN:** 1513-AA40

**2544. PETITION TO ESTABLISH  
“COLUMBIA GORGE” AS A NEW  
AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	05/10/04	69 FR 25831
Final Action Effective	07/09/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov  
**RIN:** 1513-AA43

**2545. PETITION TO ESTABLISH “OAK  
KNOLL DISTRICT” AS A NEW  
AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	02/25/04	
Final Action Effective	04/26/04	69 FR 8562

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Joanne Brady  
Phone: 215 333-7050  
Fax: 215 333-8871  
Email: joanne.brady@ttb.treas.gov  
**RIN:** 1513-AA48

**2546. PETITION TO ESTABLISH  
“SNAKE RIVER VALLEY” AS A NEW  
VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Withdrawn	05/07/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Timothy P. DeVanney  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: timothy.devaney@ttb.gov  
**RIN:** 1513-AA53

**2547. ELECTRONIC SIGNATURES;  
ELECTRONIC SUBMISSION OF  
FORMS TO TTB**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** Not Yet Determined

**Completed:**

Reason	Date	FR Cite
Final Action	10/10/03	68 FR 5860

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser  
Phone: 301 290-1460  
Fax: 301 290-1463  
Email: lisa.gesser@ttb.treas.gov

**RIN:** 1513-AA61

**2548. PETITION NO. 1 TO EXPAND  
THE RUSSIAN RIVER VALLEY  
VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	12/02/03	68 FR 67367

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton  
Phone: 202 927-8210  
Fax: 202 927-8525  
Email: nancy.sutton@ttb.gov

**Related RIN:** Related to 1513-AA67

**RIN:** 1513-AA68

**2549. EXPORTATION OF LIQUORS;  
RECODIFICATION OF REGULATIONS;  
ADMINISTRATIVE CHANGES DUE TO  
THE HOMELAND SECURITY ACT OF  
2002**

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

**CFR Citation:** 27 CFR 28; 27 CFR 252

**Completed:**

Reason	Date	FR Cite
Final Action	01/27/04	69 FR 382

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser  
Phone: 301 290-1460  
Fax: 301 290-1463  
Email: lisa.gesser@ttb.treas.gov

**RIN:** 1513-AA76

## TREAS—TTB

## Completed Actions

**2550. EVIDENCE OF EXPORTATION FOR DISTILLED SPIRITS; USE OF ALTERNATIVE DOCUMENTATION**

Priority: Substantive, Nonsignificant

CFR Citation: 27 CFR 252

**Completed:**

Reason	Date	FR Cite
Withdrawn	04/27/04	

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

**Agency Contact:** Joanne Brady  
Phone: 215 333-7050  
Fax: 215 333-8871  
Email: joanne.brady@ttb.treas.gov

**RIN:** 1513-AA78  
**BILLING CODE** 4810-33-S

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

## Proposed Rule Stage

**2551. 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 joint rulemaking would implement section 204 of the Gramm-Leach-Bliley Act. Section 204 directs the Federal banking agencies to establish recordkeeping requirements for banks relying on exceptions to the definitions of "broker" and "dealer" contained in paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

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

**Agency Contact:** Martha Vestal Clarke, Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: martha.clarke@occ.treas.gov

**RIN:** 1557-AB93**2552. MAINTENANCE OF RECORDS**

Priority: Substantive, Nonsignificant

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

CFR Citation: 12 CFR 7

Legal Deadline: None

**Abstract:** This rulemaking 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 rulemaking 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.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

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

**Agency Contact:** Patrick T. Tierney, Attorney, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: patrick.tierney@occ.treas.gov  
**RIN:** 1557-AB99

**2553. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES; LICENSING PROCEDURES**

Priority: Substantive, Nonsignificant

Legal Authority: 12 USC 1 et seq; 12 USC 93a

CFR Citation: 12 CFR 4; 12 CFR 5; 12 CFR 19; 12 CFR 37

Legal Deadline: None

**Abstract:** This rulemaking would update certain provisions and make technical changes to OCC rules governing corporate activities. The rulemaking would make technical changes to certain provisions in 12 CFR part 4 to reflect the OCC's recent organizational restructuring and to 12

CFR part 9 to reflect changes in regulations adopted by the Securities and Exchange Commission (SEC). Additionally, the rulemaking would amend subpart O of 12 CFR part 19 to combine current 12 CFR 19.240 and 19.241 into one section. The rulemaking also would make a technical correction to the regulation governing debt cancellation contracts (DCC's) and debt suspension agreements (DSAs) in 12 CFR part 37.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

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

**Agency Contact:** Patrick T. Tierney, Attorney, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: patrick.tierney@occ.treas.gov

**RIN:** 1557-AC79**2554. • IDENTITY THEFT DETECTION, PREVENTION, AND MITIGATION PROGRAM FOR FINANCIAL INSTITUTIONS AND CREDITORS**

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

**Unfunded Mandates:** Undetermined

Legal Authority: 15 USC 1681

CFR Citation: 12 CFR 41

Legal Deadline: None

**Abstract:** The OCC, Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration,

## TREAS—OCC

## Proposed Rule Stage

and the Federal Trade Commission (the Agencies) are considering issuing a joint rulemaking to establish guidelines and regulations to implement section 114 of the Fair and Accurate Credit Transactions Act of 2003. Section 114 requires the Agencies to jointly issue guidelines for financial institutions and creditors identifying patterns, practices, and specific forms of activity, that indicate the possible existence of identity theft. In addition, the Agencies must issue regulations requiring each financial institution and creditor to establish reasonable policies and procedures to implement the guidelines. The regulations must contain a provision requiring a card issuer to notify the cardholder if the card issuer receives a notice of change of address for an existing account, and a short time later receives a request for an additional or replacement card.

**Timetable:**

Action	Date	FR Cite
NPRM	08/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**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  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: deborah.katz@occ.treas.gov

**RIN:** 1557-AC87

**2555. • FAIR CREDIT; AFFILIATE MARKETING REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1 et. seq; 12 USC 24 (seventh); 12 USC 93a; 12 USC 481; 12 USC 484; 12 USC 1818; 15 USC 1681a; 15 USC 1681b; 15 USC 1681s

**CFR Citation:** 12 CFR 41

**Legal Deadline:** Other, Statutory, August 6, 2004, See Section 214 of the FACT Act, PL 108-159.

**Abstract:** The OCC, along with the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Thrift Supervision, the National Credit Union Administration, and the Federal Trade Commission are planning to issue a rulemaking that would implement the affiliate-sharing provisions of section 214 of the Fair and Accurate Credit Transactions Act (FACT Act). The regulations would implement the consumer notice and opt-out provisions of the FACT Act regarding the sharing of consumer information among affiliates for marketing purposes.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	
Final Action	08/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Patrick T. Tierney, Attorney, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: patrick.tierney@occ.treas.gov

**RIN:** 1557-AC88

**2556. • IMPLEMENTATION OF A REVISED BASEL CAPITAL ACCORD (BASEL II)**

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

**Legal Authority:** 12 USC 93a; 12 USC 3907

**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. This change involves the implementation of the new Basel capital accord (Basel II) (formerly referred to as domestic capital framework). The OCC is conducting this rulemaking jointly with the other Federal banking agencies.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Ron Shimabukuro, Special Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: ron.shimabukuro@occ.treas.gov

**Related RIN:** Split from 1557-AB14

**RIN:** 1557-AC91

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

## Final Rule Stage

**2557. COMMUNITY REINVESTMENT ACT REGULATION (12 CFR 25)**

**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 is considering revising certain provisions of its rules implementing the Community Reinvestment Act (CRA). The proposed amendment would clarify the circumstances where discriminatory, other illegal, or abusive credit practices by a national bank, or its affiliate, will

adversely affect a national bank's assigned CRA rating. The proposed amendment also would address the regulatory burden imposed on smaller national banks by revising the eligibility requirements for CRA evaluation under the small bank performance standards.

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## Final Rule Stage

**Timetable:**

Action	Date	FR Cite
ANPRM	07/19/01	66 FR 37602
ANPRM Comment Period End	10/17/01	
NPRM	02/06/04	69 FR 5744
NPRM Comment Period End	04/06/04	
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Government Levels Affected: None

**Agency Contact:** Patrick T. Tierney, Attorney, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090

Fax: 202 874-4889

Email: patrick.tierney@occ.treas.gov

RIN: 1557-AB98

**2558. 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 1818; 12 USC 3101 et seq

CFR Citation: 12 CFR 5

Legal Deadline: None

**Abstract:** This rulemaking would require a national bank to obtain approval of the OCC before two types of fundamental changes in the composition of a bank's assets: 1) changing the composition of all, or substantially all, of its assets through sales or other dispositions, or 2) after having sold or disposed of all or substantially all of its assets, subsequently purchasing or otherwise acquiring assets. This rulemaking would provide that, in the second case, the OCC will apply, among other factors, the same factors as it applies to the establishment of a de novo bank.

**Timetable:**

Action	Date	FR Cite
NPRM	01/07/04	69 FR 892
NPRM Comment Period End	03/08/04	69 FR 893
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Government Levels Affected: None

**Agency Contact:** Heidi M. Thomas, Special Counsel, Department of the

Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219

Phone: 202 874-5090

Fax: 202 874-4889

Email: heidi.thomas@occ.treas.gov

RIN: 1557-AC11

**2559. ELECTRONIC FILING AND DISCLOSURE OF BENEFICIAL OWNERSHIP REPORTS**

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

**Legal Authority:** 12 USC 93a; 15 USC 781; 15 USC 78p

CFR Citation: 12 CFR 11

Legal Deadline: None

**Abstract:** The Sarbanes-Oxley Act of 2002 made amendments to section 16(a) of the Securities Exchange Act of 1934, which requires the filing of beneficial ownership reports by officers, directors, and principal shareholders of issuers of securities. The OCC administers and enforces section 16(a) with respect to officers, directors, and principal shareholders of national banks. Effective July 30, 2003, the amendments required that beneficial ownership reports be filed electronically and posted on the issuer's corporate website if it has a website. The rulemaking would require that beneficial ownership reports filed by officers, directors, and principal shareholders of national bank be filed electronically pursuant to the FDICconnect system and that the reports be placed on the website of national banks that have websites.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	09/22/03	68 FR 54981
Interim Final Rule Effective	09/22/03	
Interim Final Rule Comment Period End	11/30/03	
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

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

Phone: 202 874-5090

Fax: 202 874-4889

Email: martha.clarke@occ.treas.gov

RIN: 1557-AC75

**2560. RISK-BASED CAPITAL; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE: INTERIM CAPITAL TREATMENT OF CONSOLIDATED ASSET-BACKED COMMERCIAL PAPER PROGRAM ASSETS**

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

**Legal Authority:** 12 USC 93a; 12 USC 3907

CFR Citation: 12 CFR 3

Legal Deadline: None

**Abstract:** This is a joint rulemaking undertaken by the OCC, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision. This rulemaking would amend the risk-based capital standards by providing a treatment for assets in asset-backed commercial paper (ABCP) programs that are consolidated onto the balance sheets of sponsoring banks, bank holding companies, and thrifts as a result of a recently issued accounting interpretation, Financial Accounting Standards Board Interpretation No. 46, Consolidation of Variable Interest Entities (FIN 46). Specifically, the capital treatment would allow sponsoring banking organizations to remove consolidated ABCP program assets from their risk-weighted asset base for the purpose of calculating their risk-based capital ratios. RIN 1557-AC77 will be merged into this RIN 1557-AC76 for purposes of the final rule.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	10/01/03	68 FR 56530
Interim Final Rule Effective	10/01/03	
Interim Final Rule Comment Period End	11/17/03	
Extension of Final Rule	04/26/04	69 FR 22383
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Government Levels Affected: None

## TREAS—OCC

## Final Rule Stage

**Agency Contact:** Ron Shimabukuro, Special Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: ron.shimabukuro@occ.treas.gov

**Related RIN:** Merged with 1557-AC77  
**RIN:** 1557-AC76

#### 2561. • RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES (OPERATING SUBSIDIARY ANNUAL REPORT)

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

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

**CFR Citation:** 12 CFR 5.34

**Legal Deadline:** None

**Abstract:** This rulemaking would revise the OCC's rules governing national bank operating subsidiaries. The rulemaking would require a national bank to file an annual report with the OCC that identifies its operating subsidiaries that do business with consumers and are not otherwise functionally regulated subsidiaries under section 5(c)(5) of the Bank Holding Company Act of 1956, as amended. The proposed annual filing would contain the name of each reportable operating subsidiary, its state of incorporation, and a brief description of its activities. The OCC would then make this information available to the public on its Internet Web page. The OCC anticipates that this rulemaking would not have a significant impact on national banks.

#### Timetable:

Action	Date	FR Cite
NPRM	03/25/04	69 FR 15260
NPRM Comment Period End	04/26/04	
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Agency Contact:** Patrick T. Tierney, Attorney, Department of the Treasury, Comptroller of the Currency, Legislative

and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: patrick.tierney@occ.treas.gov  
**RIN:** 1557-AC81

#### 2562. • RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES; CIVIL MONETARY PENALTIES ADJUSTMENT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 28 USC 2461 note

**CFR Citation:** 12 CFR 19.240; 12 CFR 19.241

**Legal Deadline:** Final, Statutory, December 11, 2004. Adjustments must be made at least once every 4 years.

**Abstract:** This rulemaking would adjust civil money penalties to account for inflation. The Federal Civil Penalties Inflation Act of 1990 (Inflation Adjustment Act), as amended by the Debt Collection Improvement Act of 1996 (Debt Collection Act) requires federal agencies with authority to administer civil money penalties (CMPs) to publish regulations to adjust each CMP. The purpose of these adjustments is to maintain the deterrent effect of CMPs and to promote compliance with the law. The Debt Collection Act provides detailed instructions on the manner in which the inflation adjustment shall be calculated. The Inflation Adjustment Act requires adjustment to be made at least once every four years following the initial adjustment. The OCC's prior adjustment to each CMP was published in the Federal Register on December 11, 2000 (65 FR 77250) and became effective that same day. Accordingly, this final rule must be effective no later than December 11, 2004.

Because the Debt Collection Act provides the OCC with no discretion in calculating the amount of the civil money penalty adjustment, notice and comment are unnecessary. Accordingly, the changes to the regulation will be issued as a final rule.

#### Timetable:

Action	Date	FR Cite
Final Action	10/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jean Campbell, Senior Attorney, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: jean.campbell@occ.treas.gov  
**RIN:** 1557-AC82

#### 2563. • LENDING LIMITS PILOT PROGRAM

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

**Legal Authority:** 12 USC 1 et seq; 12 USC 84; 12 USC 93a

**CFR Citation:** 12 CFR 32

**Legal Deadline:** None

**Abstract:** This rulemaking would amend 12 CFR part 32, the OCC's rule on lending limits, by extending the pilot program for residential real estate and small business loans. The program, which the OCC established in 2001, provides new exceptions to the lending limit for 1-4 family residential real estate loans and loans to small business. Under the program, eligible national banks with main offices located in states that have a lending limit available for residential real estate, small business, or unsecured loans that is higher than the current Federal limit, may apply to take part in the pilot and make use of its exceptions. Federal lending limits are set forth at 12 U.S.C. 84, which governs the percentage of capital and surplus that a bank may loan to any one borrower. While the pilot program has operated in a safe and sound manner, the OCC needs additional data to determine whether to retain, modify, or rescind the lending limits exceptions. The pilot program will expire on June 11, 2004, with lending authority granted pilot banks before that date expiring on September 10, 2004. The rulemaking would extend the pilot for an additional three years to collect additional data.

#### Timetable:

Action	Date	FR Cite
NPRM	04/23/04	69 FR 21978
Final Action	09/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

## TREAS—OCC

## Final Rule Stage

**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  
Phone: 202 874-5090  
Fax: 202 874-4889  
Email: mitchell.plave@occ.treas.gov

**RIN:** 1557-AC83

#### 2564. • PROPER DISPOSAL OF CONSUMER INFORMATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 1681s(b); 15 USC 1681w

**CFR Citation:** 12 CFR 30 app B; 12 CFR 41

**Legal Deadline:** Final, Statutory, December 4, 2004, 15 USC 1681w. 15 USC 1681W requires the banking agencies to issue final rules no later than one year after date of enactment of the statute.

**Abstract:** The OCC together with the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and the Office of the Thrift Supervision, (the banking agencies), are issuing a joint rulemaking to implement section 216 of the Fair and Accurate Credit Transactions Act of 2003. Section 216 requires the banking agencies, the National Credit Union Administration, the Securities and Exchange Commission, and the Federal Trade Commission to adopt consistent and comparable regulations, to the extent possible, requiring entities subject to their jurisdiction to properly dispose of consumer information as a means to reduce the risk of identity theft.

**Timetable:**

Action	Date	FR Cite
NPRM	06/08/04	69 FR 31913
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** 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  
Phone: 202 874-5090  
Fax: 202 874-4889

Email: deborah.katz@occ.treas.gov

**RIN:** 1557-AC84

#### 2565. • FAIR CREDIT REPORTING REGULATIONS; USE OF MEDICAL INFORMATION; FACT ACT

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

**Legal Authority:** 12 USC 1 et seq; 12 USC 24(seventh); 12 USC 93a; 12 USC 481; 12 USC 484; 12 USC 1818; 15 USC 1681a; 15 USC 1681(b); 15 USC 1681(s)

**CFR Citation:** 12 CFR 41

**Legal Deadline:** None

**Abstract:** The OCC, in conjunction with the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, and the National Credit Union Administration (agencies) are considering a joint rulemaking to implement section 411 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). Section 411(a) requires the agencies to prescribe regulations that permit creditors to obtain or use medical information for certain credit eligibility purposes. Additionally, section 411(b) restricts the sharing of medical information and related lists or descriptions with affiliates. However, it permits sharing of experience information among affiliates and sharing other information among affiliates after providing the consumer notice and an opportunity to opt-out. Finally, section 411(b) authorizes the agencies to issue rules to allow additional sharing of information determined by the agencies to be appropriate or necessary. This rulemaking would establish for OCC a new 12 CFR part 41, Fair Credit Regulations, to implement the FACT Act and to allow certain sharing of medical information.

**Timetable:**

Action	Date	FR Cite
NPRM	04/28/04	69 FR 23380
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Patrick T. Tierney, Attorney, Department of the Treasury, Comptroller of the Currency, Legislative

and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219  
Phone: 202 874-5090

Fax: 202 874-4889

Email: patrick.tierney@occ.treas.gov

**RIN:** 1557-AC85

#### 2566. • COMMUNITY REINVESTMENT ACT REGULATIONS

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

**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 1828c; 12 USC 1835a; 12 USC 2901 to 2907; 12 USC 3101 to 3111

**CFR Citation:** 12 CFR 25

**Legal Deadline:** None

**Abstract:** The OCC, Board of Governors of the Federal Reserve (Board), the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision (the banking agencies) are considering issuing a joint rulemaking to conform the banking agencies regulations implementing the Community Reinvestment Act (CRA) to changes in: the Standards for Defining Metropolitan and Micropolitan Statistical Areas published by the U.S. Office of Management and Budget (OMB) in December 2000; census tracts designated by the U.S. Bureau of the Census (Census); and the Board's Regulation C (12 CFR part 203), which implements the Home Mortgage Disclosure Act (HMDA). The agencies also would make a technical correction to an incorrect cross-reference within the CRA regulations. This rulemaking is technical in nature and will make no substantive changes in the requirements of the CRA regulations because the changes made by OMB, Census, and the Board already have become effective. Beginning January 1, 2004, financial institutions had to use OMB's statistical area standards, Census' geographies, and the Board's Regulation C when adjusting assessment area delineations and collecting CRA loan data. This rule simply conforms regulations to current practices.

**Timetable:**

Action	Date	FR Cite
Interim Rule	07/00/04	

## TREAS—OCC

## Final Rule Stage

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** 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

Phone: 202 874-5750

Fax: 202 874-5322

Email: margaret.hesse@occ.treas.gov

**RIN:** 1557-AC86**2567. • SECURITIES BORROWING TRANSACTIONS****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**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. The change involves changes to securities borrowing transactions. The OCC is conducting

this rulemaking jointly with the other Federal banking agencies.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Ron Shimabukuro, Special Counsel, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219

Phone: 202 874-5090

Fax: 202 874-4889

Email: ron.shimabukuro@occ.treas.gov

**Related RIN:** Split from 1557-AB14**RIN:** 1557-AC90**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**

## Long-Term Actions

**2568. FAIR CREDIT REPORTING REGULATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 41**Timetable:**

Action	Date	FR Cite
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

Phone: 202 874-5090

Fax: 202 874-4889

Email: lee.walzer@occ.treas.gov

**RIN:** 1557-AB78**Timetable:**

Action	Date	FR Cite
ANPRM	12/30/03	68 FR 75164
ANPRM Comment Period End	03/29/04	
NPRM	To Be Determined	

**Regulatory Flexibility Analysis Required:** Undetermined**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** Amy S. Friend

Phone: 202 874-5200

Fax: 202 874-5374

Email: amy.friend@occ.treas.gov

Heidi M. Thomas

Phone: 202 874-5090

Fax: 202 874-4889

Email: heidi.thomas@occ.treas.gov

**RIN:** 1557-AC80**Legal Deadline:** None**Abstract:** The OCC, along with the other Federal Banking Agencies, the National Credit Union Administration, and the Federal Trade Commission, are considering issues under Section 312 of the FACT Act relating to the accuracy and completeness of the information furnished to a consumer reporting agency and on reinvestigation procedures.**Timetable:**

Action	Date	FR Cite
NPRM	To Be Determined	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Michael Bylsma, Director, Community and Consumer Law, Department of the Treasury, Comptroller of the Currency, 250 E Street SW., Washington, DC 20219

Phone: 202 874-5750

Fax: 202 874-5322

Email: michael.bylsma@occ.treas.gov

**RIN:** 1557-AC89**2569. INTERAGENCY PROPOSAL TO CONSIDER ALTERNATIVE FORMS OF PRIVACY NOTICES UNDER THE GRAMM-LEACH-BLILEY ACT****Priority:** Substantive, Nonsignificant.

Major status under 5 USC 801 is undetermined.

**CFR Citation:** 12 CFR 40**2570. • ACCURACY AND INTEGRITY OF INFORMATION FURNISHED TO A CONSUMER REPORTING AGENCY****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681S-2; 12 USC 93a**CFR Citation:** Not Yet Determined

**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**
**Completed Actions****2571. 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:**

Action	Date	FR Cite
Actions Will Continue Under Separate Rulemakings	06/01/04	

**Implementation of a Revised Basel Capital Accord (formerly Domestic Capital Framework) (1557-AC48)**

ANPRM 11/03/00 (65 FR 66193)

ANPRM 08/04/03 (68 FR 45900)

Merged With 1557-AC91 06/01/04

**Securities Borrowing Transactions (1557-AC39)**

Interim Final Rule 12/05/00 (65 FR 75856)

Interim Final Rule Comment Period End 01/19/01

Merged With 1557-AC90 05/13/04

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

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

Phone: 202 874-5090

Fax: 202 874-4889

Email: ron.shimabukuro@occ.treas.gov

Laura Goldman, Senior Attorney, Department of the Treasury, Comptroller of the Currency, Legislative and Regulatory Activities Division, 250 E Street SW., Washington, DC 20219

Phone: 202 874-5090

Fax: 202 874-4889

Email: laura.goldman@occ.treas.gov

**RIN:** 1557-AB14**2572. RULES AND PROCEDURES FOR CLAIMS AGAINST OCC-APPOINTED RECEIVERSHIPS FOR UNINSURED FINANCIAL INSTITUTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** Not Yet Determined**Completed:**

Reason	Date	FR Cite
Withdrawn	04/30/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Mitchell Plave

Phone: 202 874-5090

Fax: 202 874-4889

Email: mitchell.plave@occ.treas.gov

**RIN:** 1557-AB59**2573. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES AND BANK ACTIVITIES AND OPERATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 3; 12 CFR 5 to 7; 12 CFR 9; 12 CFR 28; 12 CFR 34**Completed:**

Reason	Date	FR Cite
Final Rule	12/17/03	68 FR 70122
Final Rule Effective	01/16/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Andra Shuster

Phone: 202 874-5090

Fax: 202 874-4889

Email: andra.shuster@occ.treas.gov

**RIN:** 1557-AB97**2574. INTERNATIONAL BANKING ACTIVITIES****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 28; 12 CFR 5**Completed:**

Reason	Date	FR Cite
Final Rule	12/19/03	68 FR 70691
Final Rule Effective	01/20/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Lee Walzer

Phone: 202 874-5090

Fax: 202 874-4889

Email: lee.walzer@occ.treas.gov

**RIN:** 1557-AC04**2575. INTERAGENCY GUIDELINES ESTABLISHING STANDARDS FOR SAFETY AND SOUNDNESS****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 30**Completed:**

Reason	Date	FR Cite
Withdrawn	12/01/03	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Heidi M. Thomas

Phone: 202 874-5090

Fax: 202 874-4889

Email: heidi.thomas@occ.treas.gov

**RIN:** 1557-AC08**2576. REPORTING AND DISCLOSURE REQUIREMENTS FOR NATIONAL BANKS WITH SECURITIES REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934; SECURITIES OFFERING DISCLOSURE RULES****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 11; 12 CFR 16**Completed:**

Reason	Date	FR Cite
Final Rule	12/09/03	68 FR 68489
Final Rule Effective	01/08/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Maryann Orr Nash

Phone: 202 874-5090

Fax: 202 874-4889

Email: maryann.nash@occ.treas.gov

**RIN:** 1557-AC12**2577. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES (ELECTRONIC FILINGS)****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 5**Completed:**

Reason	Date	FR Cite
Final Rule	01/02/04	69 FR 1
Final Rule Effective	02/02/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Jean Campbell

Phone: 202 874-5090



## TREAS—OCC

## Completed Actions

Fax: 202 874-4889  
 Email: jean.campbell@occ.treas.gov  
 RIN: 1557-AC13

**2578. BANK ACTIVITIES AND OPERATIONS; REAL ESTATE LENDING AND APPRAISALS**

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

**CFR Citation:** 12 CFR 7; 12 CFR 34

**Completed:**

Reason	Date	FR Cite
Final Rule	01/13/04	69 FR 1904
Final Rule Effective	02/12/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** State

**Federalism:** Undetermined

**Agency Contact:** Andra Shuster

Phone: 202 874-5090

Fax: 202 874-4889

Email: andra.shuster@occ.treas.gov

**RIN:** 1557-AC73

**2579. RISK-BASED CAPITAL; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE: ASSET-BACKED COMMERCIAL PAPER PROGRAMS AND EARLY AMORTIZATION PROVISIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 3

**Completed:**

Reason	Date	FR Cite
NPRM	10/01/03	68 FR 56568
Merged With	04/30/04	
1557-AC76		

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Ron Shimabukuro

Phone: 202 874-5090

Fax: 202 874-4889

Email: ron.shimabukuro@occ.treas.gov

**Related RIN:** Merged with 1557-AC76

**RIN:** 1557-AC77

**2580. BANK ACTIVITIES AND OPERATIONS**

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

**CFR Citation:** 12 CFR 7

**Completed:**

Reason	Date	FR Cite
Final Rule	01/13/04	69 FR 1895
Final Rule Effective	02/12/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** State

**Federalism:** Undetermined

**Agency Contact:** Andra Shuster

Phone: 202 874-5090

Fax: 202 874-4889

Email: andra.shuster@occ.treas.gov

**RIN:** 1557-AC78

BILLING CODE 4830-01-S

## Department of the Treasury (TREAS)

## Prerule Stage

## Internal Revenue Service (IRS)

**2581. 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	FR Cite
ANPRM	12/00/04	

**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

**2582. GUIDANCE REGARDING APPLICATION OF SECTION 265(A)(2) AND 246A IN TRANSACTIONS INVOLVING RELATED PARTIES, PASS-THROUGH ENTITIES, OR OTHER INTERMEDIARIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7701(f); 26 USC 265(a); 26 USC 246A

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Section 7701(f) of the Code provides that the Secretary shall prescribe such regulations as may be necessary or appropriate to prevent the avoidance of the provisions of the Code

that deal with (1) the linking of borrowing to investment, or (2) diminishing the risk through the use of related persons, pass-through entities, or other intermediaries. Section 7701(f) was enacted to authorize the issuance of regulations to prevent the avoidance of the purposes of sections 265(a)(2) (which disallows interest on indebtedness incurred or continued to purchase or carry tax-exempt obligations) and 246A (which reduces the dividends received deduction under sections 243, 244, or 245(a)) in proportion to the extent that the portfolio stock with respect to which the dividends are received is debt-financed) through transactions involving related parties, pass-through entities, or other intermediaries.

**Timetable:**

Action	Date	FR Cite
ANPRM	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-128572-03

## TREAS—IRS

## Prerule Stage

Drafting attorney: Avital Grunhaus  
(202) 622-3940

Reviewing attorney: David Silber (202)  
622-3930

Treasury attorneys: Michael Novey  
(202) 622-1339 and Viva Hammer (202)  
622-0869

**Agency Contact:** Avital Grunhaus,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW.,  
Washington, DC 20224  
Phone: 202 622-3940

**RIN:** 1545-BC24

**2583. • REGULATIONS GOVERNING  
THE PERFORMANCE OF ACTUARIAL  
SERVICES UNDER THE EMPLOYEE  
RETIREMENT INCOME SECURITY ACT  
OF 1974**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 29 USC 1241

**CFR Citation:** 20 CFR 901

**Legal Deadline:** None

**Abstract:** Regulations governing the performance of actuarial service under the Employee Retirement Income Security Act of 1974 (ERISA). The regulations will cover the qualifications required for enrollment, continuing education requirements for enrolled actuaries, professional standards for the performance of actuarial services under ERISA, the grounds for disciplinary action against an enrolled actuary, and the procedures to be followed in taking disciplinary actions.

**Timetable:**

Action	Date	FR Cite
ANPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-159704-03

Drafting attorney: Michael J. Roach  
(202) 622-6090

Treasury attorney: Harlan Weller (202)  
622-1001

CC:TEGE

**Agency Contact:** Michael J. Roach,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BC82

**2584. • DEEMED IRAS IN  
GOVERNMENTAL PLANS/QUALIFIED  
NONBANK TRUSTEE RULES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 408

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Under IRS section 408(q), a qualified employer plan (plans described in sections 401(a) of the Code, 403(a), 403(b), and governmental plans under section 457(b)) may permit employees to make voluntary employee contributions to a "deemed IRA," i.e., separate account or annuity established under the plan. Generally, these accounts or annuities are treated as IRAs pursuant to IRC section 408.

Proposed regulations providing guidance with respect to section 408(q) were published in the Federal Register on May 20, 2003, and the final regulations are expected to be published on or before March 31, 2004. Deemed IRAs must satisfy the requirements of section 408(a) except for the commingling requirements of section 408(a)(5). Consistent with this general rule, section 1.408(q)-1(f)(1) of the proposed regulations provides that the trustee or custodian of an individual retirement account must be a bank or an entity that received approval from the Commissioner to serve as a nonbank trustee, pursuant to section 1.408-2(e) of the regulations. IRC section 1.408-2(e)(1) provides that an entity must demonstrate by written application that the requirements of paragraph (e)(2) to (e)(6) of that regulation will be met in order to qualify as a nonbank trustee. The new regulation will provide that governmental entities need not demonstrate that all of these requirements will be met with respect to any deemed IRAs maintained by that governmental entity. The new regulation will provide that a governmental entity must demonstrate in writing to the satisfaction of the Commissioner that the entity will administer the trust in a manner that is consistent with the requirements of section 408.

**Timetable:**

Action	Date	FR Cite
ANPRM	07/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-101447-04

Drafting attorney: Linda L. Conway  
(202) 622-3051

Reviewing attorney: Janet A. Laufer  
(202) 622-6090

Treasury attorney: W. Thomas Reeder  
(202) 622-1341

CC:TEGE

**Agency Contact:** Linda L. Conway,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue, NW,  
Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BD07

**2585. • REMIC INTEREST-ONLY  
REGULAR INTERESTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The advanced notice of proposed rulemaking describes rules that the IRS and Treasury are considering regarding the proper timing of income or deduction attributable to an interest only regular interest in a Real Estate Mortgage Investment Conduit (REMIC). Under section 860B(a) of the Internal Revenue Code, an interest only regular interest in a REMIC (REMIC IO) is treated as a debt instrument. However, unlike traditional debt instruments, the amount received by a holder of a REMIC IO may not exceed the holder's initial investment. As a result, REMIC IOs have presented difficult and novel questions in the application of the rules for original issue discount, market discount, and premium. The IRS and Treasury are therefore considering whether to prescribe regulations under the authority of section 1275(d), and the other regulatory authority, with respect to the tax treatment of REMIC IOs for both initial purchasers and secondary market purchasers.

**Timetable:**

Action	Date	FR Cite
ANPRM	08/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

## TREAS—IRS

## Prerule Stage

**Additional Information:** REG-106679-04  
Drafting attorney: Kathleen Sleeth (202) 622-3920

Reviewing attorney: Dale Collinson (202) 622-3920

Treasury attorney: Michael Novey (202) 622-1339  
CC:FI

**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-BD18

**Department of the Treasury (TREAS)**  
**Internal Revenue Service (IRS)**

## Proposed Rule Stage

**2586. 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 income from stocks effectively connected under the asset use test with the conduct of an insurance business in the United States by a foreign company.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**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

Treasury attorney: Michael Caballero (202) 622-0851

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

**2587. 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:** This regulation relates to branch rules and how to translate branch income, the taxation of exchange gain or loss on branch remittances.

**Timetable:**

Action	Date	FR Cite
NPRM	09/25/91	56 FR 48457
Second NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-208270-86 (INTL-965-86)

Drafting attorney: Theodore D. Setzer (202) 622-3870

Reviewing attorney: Jeffrey Dorfman (202) 622-3870

Treasury attorney: Andrew Froberg (202) 622-1779

CC:INTL

**Agency Contact:** Theodore D. Setzer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870

**RIN:** 1545-AM12

**2588. 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	FR Cite
NPRM	12/00/04	

**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

**2589. 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.

## TREAS—IRS

## Proposed Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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

**2590. 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	FR Cite
NPRM	01/21/00	65 FR 3402
Public Hearing	07/18/00	
Second NPRM	07/00/04	

**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

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-AO72

**2591. 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	FR Cite
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	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208299-90 (INTL-70-90)

Drafting attorney: Theodore D. Setzer (202) 622-3870

Reviewing attorney: Paul S. Epstein (202) 622-3870

Treasury attorney: Patricia Brown (202) 622-1781

CC:INTL

**Agency Contact:** Theodore D. Setzer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870

RIN: 1545-AP01

**2592. 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	FR Cite
NPRM	12/00/04	

**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: Paul S. Epstein (202) 622-3870

Treasury attorney: Andrew Froberg (202) 622-1779

CC:INTL

**Agency Contact:** Garrett D. Gregory, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3870

RIN: 1545-AP10

**2593. 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 funding raised for a securities dealing and/or trading operation, and 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209604-93 (INTL-001-93)

Drafting attorney: Theodore D. Setzer (202) 622-3870

## TREAS—IRS

## Proposed Rule Stage

Reviewing attorney: Paul S. Epstein  
(202) 622-3870

Treasury attorney: Patricia Brown (202)  
622-1781

CC:INTL

**Agency Contact:** Theodore D. Setzer,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3870

**RIN:** 1545-AR20

#### 2594. FOREIGN TRUSTS REGULATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
6048

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This document revises  
regulations relating to certain foreign  
trusts under section 6048 of the  
Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209594-92  
(INTL-067-92)

Drafting attorney: Karen Rennie (202)  
622-3880

Reviewing attorney: Elizabeth U.  
Karzon (202) 622-3880

Treasury attorney: John Harrington  
(202) 622-0589

CC:INTL

**Agency Contact:** Karen Rennie, Senior  
Technical Reviewer, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3880

**RIN:** 1545-AR25

#### 2595. TREATMENT OF DUAL CONSOLIDATED LOSSES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 1503; 26 USC  
7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation  
makes the determination of when and  
how section 1503(d), treatment of dual  
consolidated losses, will apply to  
partnerships.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**Government Levels Affected:** None

**Additional Information:** REG-209564-92  
(INTL-037-92)

Drafting attorney: Kathryn T. Holman  
(202) 622-3860

Reviewing attorney: Michael H. Frankel  
(202) 622-3860

Treasury attorney: Michael Caballero  
(202) 622-0851

CC:INTL

**Agency Contact:** Kathryn T. Holman,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-AR26

#### 2596. 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	FR Cite
NPRM	12/31/97	62 FR 68241
Second NPRM	12/00/04	

**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

#### 2597. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105513-97

Drafting attorney: Edwin B. Cleverdon  
(202) 622-7900

Reviewing attorney: Robert A.  
Berkovsky (202) 622-4920

CC:ITA

**Agency Contact:** Edwin B. Cleverdon,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-7900

**RIN:** 1545-AV55

## TREAS—IRS

## Proposed Rule Stage

**2598. 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	FR Cite
NPRM	12/00/04	

**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

CC:INTL

**Agency Contact:** Bethany Ingwalson, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850**RIN:** 1545-AV97**2599. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-106167-98

Drafting attorney: Taylor Cortright (202) 622-3130

Reviewing attorneys: Frank K. Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Taylor Cortright, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20024

Phone: 202 622-3130

**RIN:** 1545-AW19**2600. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** Undetermined**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

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

**RIN:** 1545-AX02**2601. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-105228-99

Drafting attorney: Grant D. Anderson (202) 622-4930

Reviewing attorney: Jeffrey G. Mitchell (202) 622-4930

Treasury attorney: Sharon Kay (202) 622-0865

CC:ITA

**Agency Contact:** Grant D. Anderson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4930**RIN:** 1545-AX21**2602. INSPECTION OF WRITTEN  
DETERMINATIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** This regulation amends Treasury Regulation section 301.6110-1 to include Chief Counsel Advice.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No

## TREAS—IRS

## Proposed Rule Stage

**Government Levels Affected:** None  
**Additional Information:** REG-113129-98

Drafting attorney: Deborah Lambert-Dean (202) 622-4570

Reviewing attorney: Donald Squires (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** Deborah C. Lambert-Dean, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
 Phone: 202 622-4570  
 Fax: 202 622-9888

**RIN:** 1545-AX40

### 2603. 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 Taxpayer Relief Act of 1997 and the IRS Restructuring and Reform Act of 1998.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-111833-99

Drafting attorney: Tami C. Belouin (202) 622-3847

Reviewing attorneys: Susan T. Mosley (202) 622-7950 and Henry S. Schneiderman (202) 622-3400

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJ

**Agency Contact:** Tami C. Belouin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,

1111 Constitution Avenue NW, Washington, DC 20224  
 Phone: 202 622-3847

**RIN:** 1545-AX46

### 2604. HIGHLY COMPENSATED EMPLOYEE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 414

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulations will provide the definition of highly compensated employee.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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

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-AX48

### 2605. 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	FR Cite
NPRM	12/00/04	

**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

CC:INTL

**Agency Contact:** Robert W. Lorence, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
 Phone: 202 622-3860

**RIN:** 1545-AX77

### 2606. DEFINITION OF PASSIVE FOREIGN INVESTMENT COMPANY UNDER SECTION 1297

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1297

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation defines a passive foreign investment company (PFIC) under section 1297(a) and the terms "passive income" and "passive asset" under section 1297(b). The regulation will also set forth the exceptions to the terms "passive income" and "passive asset," and provide guidance on the applicability of the look-through rule under section 1297(c), in cases involving PFICs that own 25 percent or more of a lower-tier foreign subsidiary. In addition, the regulation will provide guidance under section 1297(e), regarding the overlap rule between a controlled foreign corporation and a PFIC.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-100427-00

Drafting attorney: Ethan A. Atticks (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

Treasury attorney: Carl Dubert (202) 622-0222

## TREAS—IRS

## Proposed Rule Stage

CC:INTL

**Agency Contact:** Ethan A. Atticks, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

RIN: 1545-AX78

### 2607. 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	FR Cite
NPRM	12/00/04	

**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

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-AX91

### 2608. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-107722-00

Drafting attorney: Joseph DeWald (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

Treasury attorney: George Manousos (202) 622-1335

CC:PA:APJ

**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-AY22

### 2609. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-108523-00

Drafting attorney: Jeffrey L. Vinnik (202) 622-3840

Reviewing attorney: Phyllis Marcus (202) 622-3840

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-AY30

### 2610. 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	FR Cite
NPRM	12/00/04	

**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

Treasury attorney: Sharon Kay (202) 622-0865

CC:ITA

**Agency Contact:** Scott H. Rabinowitz, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4970

RIN: 1545-AY39

### 2611. SPECIAL RULES RELATING TO TRANSFERS OF INTANGIBLES TO FOREIGN CORPORATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 367

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will address the income tax consequences relating to the transfer of intangibles to foreign corporations.



## TREAS—IRS

## Proposed Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Federalism: Undetermined

Additional Information: REG-106877-00

Drafting attorney: Thomas D. Beem  
(202) 622-3860Reviewing attorney: Michael H. Frankel  
(202) 622-3860Treasury attorney: Rocco Femia (202)  
622-1755

CC:INTL

**Agency Contact:** Thomas D. Beem, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

RIN: 1545-AY41

**2612. PREVIOUSLY TAXED EARNINGS AND PROFITS UNDER SUBPART F**

Priority: Substantive, Nonsignificant

Unfunded Mandates: Undetermined

Legal Authority: 26 USC 7805; 26 USC 959

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This regulation will address the determination of previously taxed earnings and profits under subpart F.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-121509-00

Drafting attorney: Jonathan A. Sambur  
(202) 622-3840Reviewing attorney: Phyllis E. Marcus  
(202) 622-3840Treasury attorney: Rocco Femia (202)  
622-1755

CC:INTL

**Agency Contact:** Jonathan A. Sambur, Attorney-Advisor, Department of the

Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

RIN: 1545-AY54

**2613. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: Undetermined

Government Levels Affected: None

Additional Information: REG-125499-00

Drafting attorney: Janet A. Laufer (202)  
622-6090Reviewing attorney: Marjorie Hoffman  
(202) 622-6030Treasury 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

RIN: 1545-AY61

**2614. 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	FR Cite
ANPRM	05/06/03	68 FR 23931
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-100818-01

Drafting attorney: Douglas C. Bates  
(202) 622-7550Reviewing attorney: Debra Carlisle  
(202) 622-7550

CC:COR

**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

**2615. 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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

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**Small Entities Affected:** No  
**Government Levels Affected:** None  
**Additional Information:** REG-120297-01  
 Drafting attorney: Christine S. Irwin (202) 622-4570  
 Reviewing attorney: David L. Fish (202) 622-4580  
 Treasury attorney: Eric San Juan (202) 622-0224  
 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  
**RIN:** 1545-AY89

**2616. TRANSITIONAL RELIEF FOR QUALIFIED INTERMEDIARIES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.  
**Unfunded Mandates:** Undetermined  
**Legal Authority:** 26 USC 7805; 26 USC 1441  
**CFR Citation:** 26 CFR 1  
**Legal Deadline:** None  
**Abstract:** The regulation will promulgate Notices 2001-4, 2001-11 and 2001-43 into the section 1441 regulation. Generally, the Notices provide transitional relief with respect to the new withholding regime for qualified intermediaries.  
**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No  
**Small Entities Affected:** No  
**Government Levels Affected:** Undetermined  
**Federalism:** Undetermined  
**Additional Information:** REG-125443-01  
 Drafting attorney: Ethan A. Atticks (202) 622-3840  
 Reviewing attorney: Valerie Mark-Lippe (202) 622-3840  
 Treasury attorney: Andy Froberg (202) 622-1779  
 CC:INTL  
**Agency Contact:** Ethan A. Atticks, Attorney-Advisor, Department of the

Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
 Phone: 202 622-3840  
**RIN:** 1545-AY92

**2617. 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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No  
**Government Levels Affected:** None  
**Additional Information:** REG-107592-00  
 Drafting attorney: Frances Kelly (202) 622-7072  
 Reviewing attorney: Michael J. Wilder (202) 622-3393  
 Treasury attorney: Audrey Nacamuli (202) 622-5721  
 CC:COR

**Agency Contact:** Frances L. 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-AW30  
**RIN:** 1545-BA11

**2618. 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	FR Cite
NPRM	12/00/04	

**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

**2619. 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	FR Cite
ANPRM	10/23/01	66 FR 53564
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses, Governmental Jurisdictions  
**Government Levels Affected:** Local, State, 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  
 Treasury attorney: John Parcell (202) 622-2578  
 CC:PSI

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**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

**2620. 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 7603; 26 USC 7609  
**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, 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-153037-01

Drafting attorney: Elizabeth D. Rawlins (202) 622-3600

Reviewing attorney: Robert A. Miller (202) 622-3600

Treasury attorney: Jonathan Ackerman (202) 622-1981

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: 202 622-3600  
**RIN:** 1545-BA31

**2621. 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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-159068-01

Drafting attorney: Ethan A. Atticks (202) 622-3840

Reviewing attorney: Phyllis E. Marcus (202) 622-3840

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Ethan A. Atticks, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BA37

**2622. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**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, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BA41

**2623. MULTIFAMILY 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 multifamily housing bonds.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Local, State

**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) 622-1322

## TREAS—IRS

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CC:TEGE

**Agency Contact:** Rose M. Weber, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980

RIN: 1545-BA45

**2624. 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	FR Cite
NPRM	04/01/04	69 FR 17117
Public Hearing	07/22/04	
Final Action	12/00/04	

**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-BA59

**2625. 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., disaster losses and research and experimentation expenses.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**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 (202) 622-3850

Treasury attorney: John Harrington (202) 622-0589

CC:INTL

**Agency Contact:** Teresa B. Hughes, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

RIN: 1545-BA64

**2626. 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	FR Cite
NPRM	07/00/04	

**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, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

RIN: 1545-BA65

**2627. CIRCULAR 230—PHASE 2 NONSHELTER 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	FR Cite
ANPRM	12/19/02	67 FR 77724
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-122380-02

Drafting attorney: Heather L. Dostaler (202) 622-8445

Reviewing attorney: Richard S. Goldstein (202) 622-7820

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJ

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,

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1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-8445

RIN: 1545-BA72

### 2628. 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

**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	FR Cite
NPRM	12/00/04	

**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

CC:PSI

**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

### 2629. 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) relates to transfers to provide for the satisfaction of an asserted liability. The regulations would also amend regulations section 1.461-2 to provide rules relating to economic performance.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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

### 2630. GUIDANCE TO FACILITATE ELECTRONIC TAX ADMINISTRATION

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulation will facilitate electronic tax administration.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-137243-02

Drafting attorney: Bridget E. Tombul  
(202) 622-4940

Reviewing attorney: Ashton P. Trice  
(202) 622-4940

Treasury attorney: John Parcell (202)  
622-2578

CC:PA:APJ

**Agency Contact:** Bridget E. Tombul,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4940

RIN: 1545-BA96

### 2631. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**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

CC:PA:APJ

**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

### 2632. 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

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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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**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: Julian Kim (202) 622-2578

CC:PA:APJ

**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

**2633. 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	FR Cite
NPRM	12/00/04	

**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) 435-5265

Reviewing attorney: Elizabeth G. Beck (202) 435-5265

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** David Bowen, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5265

**RIN:** 1545-BB26

**2634. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**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

**2635. 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	FR Cite
NPRM	12/00/04	

**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

**2636. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-153841-02

Drafting attorney: Mayer Samuels (202) 622-3090

Reviewing attorney: George Maenik (202) 622-3090

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Treasury attorney: Catherine Hughes  
(202) 622-9407

CC:PSI

**Agency Contact:** Mayer Samuels,  
attorney, Department of the Treasury,  
Internal Revenue Service, 1111  
Constitution Ave NW, Washington, DC  
20024

Phone: 202 622-3090

**RIN:** 1545-BB54

### 2637. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**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

### 2638. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-157302-02

Drafting attorney: Linda L. Conway  
(202) 622-6090

Reviewing attorney: Janet Laufer (202)  
622-6090

Treasury attorney: Tom Reeder (202)  
622-1341

CC:TEGE

**Agency Contact:** Linda L. Conway,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue, NW,  
Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BB58

### 2639. 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	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-158210-02

Drafting attorney: Linda L. Conway  
(202) 622-6090

Reviewing attorney: Janet Laufer (202)  
622-6090

Treasury attorney: Tom Reeder (202)  
622-1341

CC:TEGE

**Agency Contact:** Linda L. Conway,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BB59

### 2640. 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 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 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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-157711-02

Drafting attorney: Martin Huck (202)  
622-7550

Reviewing attorney: Theresa Abell (202)  
622-7700

CC:COR

**Agency Contact:** Martin T. Huck,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,

## TREAS—IRS

## Proposed Rule Stage

1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-7750

RIN: 1545-BB61

**2641. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** Governmental Jurisdictions

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

**Additional Information:** REG-155608-02

Drafting attorney: John A. Tolleris (202) 622-6060

Reviewing attorney: Cheryl Press (202) 622-6060

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** John A. Tolleris, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

RIN: 1545-BB64

**2642. 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:** The temporary regulations will raise the amount of accumulated Federal Unemployment Tax Act for taxes that a taxpayer may accumulate before required to deposit.

**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/04	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**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

CC:PA:APJ

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8445

**Related RIN:** Related to 1545-BB66

RIN: 1545-BB67

**2643. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-163113-02

Drafting attorney: John MacEachen (202) 622-3253

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: 202 622-7830

RIN: 1545-BB71

**2644. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-163679-02

Drafting attorney: Julie Ro Kim (202) 622-3090

Reviewing attorney: George Masnik (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Juli Ro Kim, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3090

RIN: 1545-BB72



## TREAS—IRS

## Proposed Rule Stage

**2645. 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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-163909-02

Drafting attorney: Taylor Cortright (202) 622-3130

Reviewing attorneys: Frank K. Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Taylor Cortright, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20024  
Phone: 202 622-3130**Related RIN:** Related to 1545-BB76**RIN:** 1545-BB75**2646. 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	FR Cite
Temporary Regulations	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-163909-02  
Drafting attorney: Taylor Cortright (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:** Taylor Cortright, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20024  
Phone: 202 622-3130**Related RIN:** Related to 1545-BB75**RIN:** 1545-BB76**2647. 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) accelerate the recognition of income associated with a REMIC resident interest that is allocation to foreign person, including a foreign partner in a U.S. partnership.**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**  
**Required:** Undetermined**Government Levels Affected:**  
Undetermined**Federalism:** Undetermined**Additional Information:** REG-159929-02

Drafting attorney: Arturo Estrada (202) 622-3900

CC:FI

**Agency Contact:** Arturo Estrada, Attorney-Advisor, Department of theTreasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3900**RIN:** 1545-BB84**2648. PREDECESSORS OR  
SUCCESSORS UNDER SECTION  
355(E)****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) set forth whether a transferor to or a transferee of distributing or controlled assets is a predecessor or successor.**Timetable:**

Action	Date	FR Cite
NPRM	09/00/04	

**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: Stephen P. Fattman (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**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**2649. 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 relating to dependent care credits.

## TREAS—IRS

## Proposed Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**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

Reviewing attorney: Robert Berkovsky (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

**2650. 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 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 particular security. Many of the securities subject to section 475 raise difficult valuation issues. An advanced notice of proposed rulemaking (ANPRM) was issued on May 5, 2003 and asked for comments on possible a financial statement-tax conformity safe harbor approach for valuing certain securities under section 475 for which the determination of actual fair market value is administratively difficult. The ANPRM asked for comments on: (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 recordkeeping, 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. A notice of proposed rulemaking is being drafted currently based upon comments received from the ANPRM.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: Undetermined

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:FI

**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

**2651. 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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-105346-03

Drafting attorneys: Demetri Yatrakis (202) 622-3060

Reviewing attorney: Audrey Ellis (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Demetri G. Yatrakis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224  
Phone: 202 622-3060

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

**2652. 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	FR Cite
NPRM	12/00/04	

**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: 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

RIN: 1545-BB93

## TREAS—IRS

## Proposed Rule Stage

**2653. 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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-108637-03

Drafting attorney: Rebecca E. Asta (202) 622-3930

Reviewing attorney: Patrick White (202) 622-3920

CC:FI

**Agency Contact:** Rebecca E. Asta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3930**RIN:** 1545-BB94**2654. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-150088-02

Drafting attorney: Laurence K. Williams (202) 622-3600

Reviewing attorney: Alan Levine (202) 622-3600

CC:PA:CBS

**Agency Contact:** Laurence K. Williams, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20024

Phone: 202 622-3600

**RIN:** 1545-BB96**2655. 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	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-150091-02

Drafting attorney: Laurence K. Williams (202) 622-3600

Reviewing attorney: Alan Levine (202) 622-3610

CC:PA:CBS

**Agency Contact:** Laurence K. Williams, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20024

Phone: 202 622-3600

**RIN:** 1545-BB97**2656. 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 Internal Revenue Service's authority to issue other guidance concerning the reporting requirements for tax exempt bond partnerships. The other guidance will be issued separately by Revenue Procedure.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**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-BC01**RIN:** 1545-BC04**2657. DETERMINATION OF BASIS OF OR SECURITIES RECEIVED IN EXCHANGE OR WITH RESPECT TO, A STOCK OR SECURITIES IN CERTAIN TRANSACTIONS****Priority:** Routine and Frequent**Legal Authority:** 26 USC 358; 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 adopts a tracing approach indetermining the basis of stock and securities received in transactions under section 355, section 368, and certain transactions that qualify under both section 351 and section 368.**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

## TREAS—IRS

## Proposed Rule Stage

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-116564-03

Drafting attorney: Theresa M. Kolish (202) 622-7530 or Emidio J. Forlini, Jr. (202) 622-7930

Reviewing attorney: Reginald Mombrun (202) 622-7277

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Theresa M. Kolish, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

Emidio J. Forlini Jr., Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930

RIN: 1545-BC05

**2658. GENERAL ALLOCATION AND ACCOUNTING REGULATIONS**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**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	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: Undetermined

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

RIN: 1545-BC07

**2659. ENTRY OF TAXABLE FUEL**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** The regulations will provide rules for payment of tax when taxable fuel is entered by an unregistered person.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-120616-03

Drafting attorney: Celia Gabrysh (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:** Celia A. Gabrysh, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

RIN: 1545-BC08

**2660. TIMING AND MODIFICATION OF THE SECTION 59(E) ELECTION**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 59

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** The regulation will provide guidance on making a section 59(e) election.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-124405-03

Drafting attorney: Eric B. Lee (202) 622-3120

Reviewing attorney: Brenda Stewart (202) 622-3120

Treasury attorney: George Manousos (202) 622-1788

CC:PSI

**Agency Contact:** Eric B. Lee, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224  
Phone: 202 622-3120

RIN: 1545-BC13

**2661. VALUE OF LIFE INSURANCE WHEN DISTRIBUTED FROM A QUALIFIED RETIREMENT PLAN**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 1

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** These proposed regulations under section 402(a) of the Internal Revenue Code concern the amount includible in a distributee's income when certain life insurance and annuity contracts are distributed by a qualified retirement plan.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-126967-03

Reviewing attorney: Linda Marshall (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

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-BC20

**2662. UTILITY ALLOWANCE REGULATION UPDATE**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 42

## TREAS—IRS

## Proposed Rule Stage

**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will modify and update utility allowance regulations under section 1.142-10, which provides for an alternative method for computing utility allowances under section 1.142-10(b)(4)(ii). Also, the regulation will provide for annual updates of utility allowances.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-128274-03

Drafting attorney: Gregory N. Doran (202) 622-3040

Reviewing attorney: Harold Burghart (202) 622-3040

Treasury attorney: Bruce Serchuk (202) 622-1766

CC:PSI

**Agency Contact:** Gregory N. Doran, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-BC22**2663. SPECIAL CONSOLIDATED RETURN RULES FOR INTEREST EXPENSE DISALLOWED UNDER SECTION 265(A)(2)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502; 26 USC 7701**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulation will address the treatment of interest income with respect to an intercompany loan when the source of funds is borrowing from a nonmember and there is a disallowance of interest expense under section 265(a)(2).

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-128590-03

Drafting attorney: Frances L. Kelly (202) 622-7072

Reviewing attorney: Michael Wilder (202) 622-3393

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Frances L. Kelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**RIN:** 1545-BC23**2664. SINGLE DETERMINATION OF TAX FOR MULTIPLE POOLS OF ASSETS OF AN S CORPORATION**

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

**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC 1374(e)**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The proposed regulation will address the determination of tax with respect to various pools of assets of an S corporation that is subject to tax under section 1374.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-131486-03

Drafting attorney: Marie Byrne (202) 622-7750

Reviewing attorney: Mark Jennings (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-1721

CC:COR

**Agency Contact:** Marie Byrne, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-7750

**RIN:** 1545-BC29**2665. DEEMED CORPORATE ELECTION FOR ELECTING S CORPORATIONS**

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

**Legal Authority:** 26 USC 7701; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulation will deem an S corporation that makes a timely S Corporation election to have also made a timely election to be an association taxed as a corporation under section 301.7701-3(1)(i) to ease the administrative burden on taxpayers and IRS Service Centers. It will continue implementation of section 7701 under the secretary's general section 7805 regulatory authority.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** Undetermined**Additional Information:** REG-131786-03

Drafting attorney: Rebekah A. Myers (202) 622-3050

Reviewing attorney: Dianna Miosi (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Rebekah A. Myers, 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-BD24**RIN:** 1545-BC32**2666. GUIDANCE ON PFIC PURGING ELECTIONS**

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

**Unfunded Mandates:** Undetermined

## TREAS—IRS

## Proposed Rule Stage

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations will provide guidance regarding retroactive relief for taxpayers, who in limited circumstances, continue to be subject to the PFIC excess distribution regime of section 1291 although the foreign corporation in which they own stock is no longer treated as a PFIC under section 1298 or section 1297(e).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-133446-03

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

Treasury attorney: Michael Caballero (202) 622-0851

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-BC37

**2667. ADDITIONAL GUIDANCE REGARDING MARK-TO-MARKET ACCOUNTING FOR TRADERS IN SECURITIES AND/OR COMMODITIES, INCLUDING FOREIGN CURRENCY INSTRUMENTS**

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

**Legal Authority:** 26 USC 7805; 26 USC 988(a)(1)(B)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides additional rules relating to the trader mark-to-market election: 1) the coordination of income character rules of the mark-to-market regime with the capital election under section 988(a)(1)(B); 2) the definition of commodities for purposes of section

475; and 3) the application of the mark-to-market rules for traders that trade both securities and commodities in a single business.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-135660-03

Drafting attorney: Camille B. Evans (202) 622-3800

Reviewing attorney: Paul S. Epstein (202) 622-3870

Treasury attorney: Andrew Froberg (202) 622-1779

CC:INTL

**Agency Contact:** Camille B. Evans, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3800

**RIN:** 1545-BC48

**2668. QUALIFIED SEVERANCE REGULATIONS**

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

**Legal Authority:** 26 USC 2642(a)(3)(C)

**CFR Citation:** 26 CFR 26

**Legal Deadline:** None

**Abstract:** This regulation relates to generation-skipping transfer tax consequences of a qualified severance of a trust.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-145987-03

Drafting attorney: Mayer R. Samuels (202) 622-7265

Reviewing attorney: George Masnik (202) 622-3618

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Mayer R. Samuels, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7265

**RIN:** 1545-BC50

**2669. STEWARDSHIP EXPENSES**

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

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The current regulations under section 1.861-8(e)(4), titled "Stewardship Expenses Attributable to Dividends Received," are confusing and subject to misuse by taxpayers. In conjunction with the proposed services regulations under section 482, it is proposed to revise these regulations to clarify the parameters of stewardship expenses, thereby demarcating them from shareholder activities under section 482 and supportive expenses under section 1.861-8T(b)(3).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-138603-03

Drafting attorney: Teresa B. Hughes (202) 622-3850

Reviewing attorney: Anne Devereaux (202) 622-3850

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** Teresa B. Hughes, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

**RIN:** 1545-BC52

## TREAS—IRS

## Proposed Rule Stage

**2670. COORDINATION OF UNITED STATES AND CERTAIN POSSESSIONS INCOME TAXES****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1; 26 CFR 301**Legal Deadline:** None

**Abstract:** The regulations for section 7654 (1954 Code) will revise existing regulations for clarification and the regulations for section 7654 (1986 Code) will be new. Internal Revenue Code (IRC) section 7654 contains the provisions for cover-over to the U.S. Possessions. Old section 7654 (1954 Code) continues to be applicable to Guam and the Commonwealth of the Northern Mariana Islands (CNMI) because these two possessions do not have an effective implementing agreement with the United States as required by the Tax Reform Act of 1986. Regulations are necessary for consistent and correct application of section 7654. For example, cover-over for (Armed Forces) residents of the possessions stationed outside the possessions are not specifically addressed in the 1954 Code, and neither is cover-over for Federal employees residing in U.S. Possessions. Regulations are needed to carry out the provisions of section 7654 and sections 931, 932, and 935.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-139900-03

Drafting attorney: Mae J. Lew (202) 435-5262

Reviewing attorney: Ricardo A. Cadenas (202) 435-5262

Treasury attorney: Carl Dubert (202) 622-1765

CC:INTL

**Agency Contact:** Mae J. Lew, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5262

**Related RIN:** Related to 1545-BD32**RIN:** 1545-BC54**2671. GUIDANCE UNDER SECTION 2053 REGARDING POST-DEATH EVENTS****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 20**Legal Deadline:** None

**Abstract:** These regulations relate to the amount deductible under section 2053(a)(3) of the Internal Revenue Code. The regulations will affect estates of decedents where claims exist against the decedent's estate.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Additional Information:** REG-143316-03

Drafting attorney: DeAnn K. Malone (202) 622-3112

Reviewing attorney: Melissa Liquerman (202) 622-7830

Treasury attorney: Cathy Hughes (202) 622-9407

CC:PSI

**Agency Contact:** DeAnn K. Malone, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3112

**RIN:** 1545-BC56**2672. PREDECEASED PARENT RULE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 2651**CFR Citation:** 26 CFR 26**Legal Deadline:** None

**Abstract:** The proposed regulation will provide guidance on the predeceased parent rule in section 2651(e) and amend the regulations under section 26.2612-1(a)(2).

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-145988-03

Drafting attorney: Lian A. Mito (202) 622-3719

Reviewing attorney: James F. Hogan (202) 622-3012

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Lian A. Mito, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830

**RIN:** 1545-BC60**2673. QUALIFIED ZONE ACADEMY BONDS; OBLIGATIONS OF STATES AND POLITICAL SUBDIVISIONS****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:** The regulations will provide for permissible use of proceeds and will coordinate and make consistent provisions regarding determination of credit rate and maturity date. It will provide for remedial action in case of change in use of bond proceeds.

**Timetable:**

Action	Date	FR Cite
NPRM	03/26/04	69 FR 15747
Public Hearing	07/21/04	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Governmental Jurisdictions**Government Levels Affected:** Local, State**Additional Information:** REG-121475-03

Drafting attorney: Zoran Stojanovic (202) 622-4096

Reviewing attorney: Timothy L. Jones (202) 622-3701

Treasury attorney: Stephen Watson (202) 622-1322

## TREAS—IRS

## Proposed Rule Stage

CC:TEGE

**Agency Contact:** Zoran Stojanovic, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4096

**Related RIN:** Related to 1545-BC68

**RIN:** 1545-BC61

#### 2674. GUIDANCE UNDER SECTION 707 REGARDING DISGUISED SALES

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

**Legal Authority:** 26 USC 707; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance regarding disguised sales of partnership interests.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-149519-03

Drafting attorney: James M. Gergurich (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3080

Treasury attorney: Stephanie Robinson (202) 622-7858

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-BC63

#### 2675. PARTNERSHIPS AND DEEMED DISPOSITIONS OF UNREALIZED RECEIVABLES AND INVENTORY ITEMS

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

**Legal Authority:** 26 USC 751; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These modifications to regulations under section 751 require a redeeming partner to take hot assets with built-in gain equal to the partner's proportionate share of the total hot asset appreciation in the partnership, regardless of fair market value.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-149610-03

Drafting attorney: Jason T. Smyczek (202) 622-3050

Reviewing attorney: Dan Carmody (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Jason T. Smyczek, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3050

**RIN:** 1545-BC65

#### 2676. LIFO RECAPTURE UNDER SECTION 1362(D)

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

**Legal Authority:** 26 USC 1363

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Section 1363(d) provides for the recapture of LIFO benefits when a corporation elects S corporation status. This project addresses the treatment LIFO inventor held through partnerships.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-149524-03

Drafting attorney: Pietro E. Canestrelli (202) 622-3060

Reviewing attorney: David Haglund (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Pietro E. Canestrelli, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**RIN:** 1545-BC66

#### 2677. SECTION 1045 APPLICATION TO PARTNERSHIPS

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

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance on how the capital gains rollover provision of section 1045 applies to partnerships.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Additional Information:** REG-150562-03

Drafting attorney: Charlotte Chyr (202) 622-3070 and Jian Grant (202) 622-3050

Reviewing attorneys: James Quinn (202) 622-3070 and Mary Beth Collins (202) 622-3070

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Charlotte Chyr, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**RIN:** 1545-BC67



## TREAS—IRS

## Proposed Rule Stage

**2678. SECTION 179 ELECTIONS (TEMPORARY)**

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

**Legal Authority:** 26 USC 202

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance for making and revoking elections under section 179, effective for 2003.

**Timetable:**

Action	Date	FR Cite
Temporary Regulations	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Additional Information:** REG-152549-03

Drafting attorney: Winston H. Douglas (202) 622-3110

Reviewing attorney: Mark Pitzer (202) 622-3110

Treasury attorney: George Manousos (202) 622-1335

CC:PSI

**Agency Contact:** Winston H. Douglas, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3110

**RIN:** 1545-BC69

**2679. REAL ESTATE MORTGAGE INVESTMENT CONDUIT (REMIC) TETRA RULES**

**Priority:** Info./Admin./Other. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 860F

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation relates to the application of partnership audit procedures to disputes regarding the ownership of residual interests in a REMIC.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-154077-03

Drafting attorney: Arturo Estrada (202) 622-3900

Reviewing attorney: Dale Collinson (202) 622-3900

Treasury attorney: Viva Hammer (202) 622-0869

CC:FI

**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-BC71

**2680. COLLECTION AFTER ASSESSMENT**

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

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 6502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The Internal Revenue Service Restructuring and Reform Act of 1998 (RRA '98) section 3461 amended section 6502 of the Code to limit the ability of the Service to enter into agreements extending the collection statute. RRA '98 also included an off-Code "sunset" provision governing the continued effect of collection statute extension agreements executed prior to January 1, 2000, the effective date of this section. The current regulations under section 6502 have not been updated to reflect these changes to the section. The current regulations provide that extension agreements may be executed anytime prior to the expiration of the original statutory collection period.

The revised regulations will incorporate the changes imposed by RRA '98 and will provide in part that the only two circumstances under which an agreement extending the collecting period may be executed are: (1) when the extension agreement is executed in connection with an Installment Agreement; and (2) when the extension agreement is executed prior to a levy being released pursuant to section

6343, when the release occurs after the expiration of the original 10-year statutory collection period. Also, the revised regulations will discuss the continued validity of extension agreements executed prior to January 1, 2000.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148701-03

Drafting attorney: Aaron D. Gregory (202) 622-3620

Reviewing attorney: Fredrick W. Schindler (202) 622-3620

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:CBS

**Agency Contact:** Aaron D. Gregory, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3620  
Fax: 2026228882

**RIN:** 1545-BC72

**2681. • BELOW-MARKET LOANS**

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

**Legal Authority:** 26 USC 7805; 26 USC 7872(h)

**CFR Citation:** 26 CFR 7872

**Legal Deadline:** None

**Abstract:** The proposed regulations related to the Federal income tax consequences of certain below-market loans.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209226-84

Drafting attorney: Rebecca E. Asta (202) 622-3930

Reviewing attorney: David Silber (202) 622-3930

## TREAS—IRS

## Proposed Rule Stage

Treasury attorney: Viva Hammer (202) 622-0869

CC:FI

**Agency Contact:** Rebecca E. Asta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3930

**RIN:** 1545-BC78

### 2682. • INFORMATION REPORTING RELATING TO TAXABLE STOCK TRANSACTIONS

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

**Legal Authority:** 26 USC 6043; 26 USC 6045

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations under sections 6043 and 6045 require information reporting by corporations and brokers with respect to corporate acquisitions of control and substantial changes in capital structure. The notice of proposed rulemaking cross-references temporary regulations and also withdraws previous proposed rules (67 FR 69496; RIN 1545-BB60).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-156232-03

Drafting attorney: Nancy L. Rose (202) 622-4910

CC:PA:APJ

**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, Related to 1545-BB60, Related to 1545-BC79

**RIN:** 1545-BC80

### 2683. • STUDENT FICA GUIDANCE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 312(b)(10); 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations defining "school, college, or university" for purposes of section 312(b)(10). The regulations defining "student" for purposes of section 312(b)(10).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-156421-03

Drafting attorney: John B. Richards (202) 622-6040

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** John B. Richards, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6040

**RIN:** 1545-BC81

### 2684. • DEFINITION OF LOSS FOR PURPOSES OF THE STRADDLE RULES

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

**Legal Authority:** 26 USC 7805; 26 USC 1092

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation expands the definition of the term "loss" for purposes of sections 1092 and 263(g) to include otherwise deductible payments or accruals determined with respect to changes in the capital value of offsetting positions in a straddle that lacks a capital investment."

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-159869-03

Drafting attorney: Mary Brewer (202) 622-3950

Reviewing attorney: Christina Morrison (202) 622-3950

CC:FI

**Agency Contact:** Mary Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950

**RIN:** 1545-BC83

### 2685. • NIMCRUT VALUATION REGULATIONS

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

**Legal Authority:** 26 USC 664; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation would change the valuation of assets held in a NIMCRUT under section 1.664-3(a)(1)(iv).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Additional Information:** REG-160150-03

Drafting attorney: Juli Ro Kim (202) 622-3090

Reviewing attorney: Melissa Liquerman (202) 622-4433

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Juli Ro Kim, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3090

**RIN:** 1545-BC85

## TREAS—IRS

## Proposed Rule Stage

**2686. • DETERMINATION OF RESIDENCY IN U.S. POSSESSIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** Not Yet Determined**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will address the determination of residency in U.S. possessions.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-159243-03

Drafting attorney: M. Grace Fleeman (202) 622-3880.

Reviewing attorney: W. Edward Williams (202) 622-3880

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** M. Grace Fleeman, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3880

W. Edward Williams, Senior Technical Reviewer, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3880

RIN: 1545-BC86

**2687. • EXCLUSION OF EMPLOYEES OF 501(C)(3) ORGANIZATION IN 401(K) AND 401(M) PLANS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This action amends the Income Tax Regulations (26 CFR part 1) under section 410(b) of the Internal Revenue Code of 1986 (Code). The proposed amendments would allow a section 401(k) plan or a section 401(m) plan that is provided under the same general arrangement as the section

401(k) plan to treat employees of an organization described in section 501(c)(3), which is exempt from tax under section 501(a), who are eligible to make salary reduction contributions to a tax-sheltered annuity pursuant to section 403(b) (a section 403(b) annuity) as excludable employees for the purpose of testing whether such plans meet the minimum coverage requirements specified in section 410(b). Congress ordered a modification of the current rule in the Economic Growth and Tax Relief Reconciliation Act of 2001 (Pub. L. 107-16, 115 Stat. 38).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-149752-03

Drafting attorney: Stacey G. Grundman (202) 622-6090

Reviewing attorney: Lisa Mojiri-Azad (202) 622-6060

Treasury attorney: W. Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** Stacey G. Grundman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

RIN: 1545-BC87

**2688. • TRANSACTIONS INVOLVING THE TRANSFER OF NO NET EQUITY VALUE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 351**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations will provide guidance regarding the application of sections 332, 351, and 368 in certain transactions involving insolvent corporations.**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-163314-03

Drafting attorney: Jean R. Brenner (202) 622-7790

Reviewing attorneys: Victor L. Penico and Lisa Fuller (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Jean R. Brenner, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7790

RIN: 1545-BC88

**2689. • PAYMENTS IN THE NATURE OF WORKERS COMPENSATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The proposed rulemaking will exclude payments made pursuant to statutes in the nature of workers' compensation law from the definition of wages as defined in I.R.C. 3121(a).**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local, State**Additional Information:** REG-160315-03

Drafting attorney: David R. Ford (202) 622-6040

Reviewing attorney: Marie Cashman (202) 622-6040

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** David R. Ford, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6040

RIN: 1545-BC89

## TREAS—IRS

## Proposed Rule Stage

**2690. • DISCLOSURES TO SUBCONTRACTORS**

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

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 6103

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** Proposed rule to amend existing regulations on disclosure of returns and return information in connection with procurement of property and services for tax administration purposes.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required: No**

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148867-03

Drafting attorney: Helene R. Newsome (202) 622-4570

Reviewing attorney: Gerald R. Ryan (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**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

**RIN:** 1545-BC92

**2691. • REVISION OF SECTION 301.6103(J)-1 FOR DISCLOSURE TO THE BUREAU OF ECONOMIC ANALYSIS, DEPARTMENT OF COMMERCE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6103

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation concerns the disclosure of corporate tax information to the Bureau of Economic Analysis, Department of Commerce.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required: No**

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148864-03

Drafting attorney: Joseph E. Conley (202) 622-4580

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-BC93

**2692. • GUIDANCE REGARDING THE ACTIVE TRADE OR BUSINESS REQUIREMENT UNDER SECTION 355(B)**

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

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed rulemaking will provide guidance regarding the active trade or business requirement under section 355(b).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required: No**

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-123365-03

Drafting attorney: Russell P. Subin (202) 622-7790

Reviewing attorney: Richard Coss (202) 622-7790

CC:COR

**Agency Contact:** Russell P. Subin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7790

**RIN:** 1545-BC94

**2693. • ACCUMULATED ADJUSTMENT ACCOUNT AND OTHER CORPORATE SEPARATIONS UNDER SECTION 355**

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

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulation will amend the current regulations under section 1.368-2 in order to address the proper treatment of an S corporations accumulated adjustment account in a section 355 transaction not preceded by a section 368(a)(1)(D) reorganization.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required: No**

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-168722-03

Drafting attorney: Christopher L. Trump (202) 622-3070

Reviewing attorney: James Quinn (202) 622-3070

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-BC98

**2694. • ATTAINED AGE OF THE INSURED**

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

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations define the age of the insured to be used by the insurance companies for the cash value corridor and maturity date assumption required to determine if a contract insuring more than one life qualifies as a life insurance contract for Federal income tax purposes.

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**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-168892-03

Drafting attorney: Ann H. Logan (202) 622-3970

Reviewing attorney: Donald Drees (202) 622-3970

CC:FI

**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-BD00

**2695. • SUPPORT TEST IN THE CASE OF A CHILD OF DIVORCED PARENTS**

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

**Legal Authority:** 26 USC 152**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These proposed regulation will amend section 1.152-4 to delete obsolete provisions, update other provisions, and clarify the definition of "custody." It will incorporate the guidance provided in section 1.152-4T and provide additional guidance on the release of a custodial parent's claim to exemption.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-149856-03

Drafting attorney: Victoria J. Driscoll (202) 622-4910

CC:ITA

**Agency Contact:** Victoria J. Driscoll, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-4910

RIN: 1545-BD01

**2696. • TREATMENT OF FOREIGN STAPLED CORPORATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 269B**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This project will provide regulatory guidance to implement Notice 2003-50.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-101282-04

Drafting attorney: Richard L. Osborne (202)622-3860

Reviewing attorney: Robert W. Lorence (202) 622-3860

Treasury attorney: Michael Cabellero (202) 622-0851

CC:INTL

**Agency Contact:** Robert W. Lorence, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

RIN: 1545-BD05

**2697. • DEEMED IRAS IN GOVERNMENTAL PLANS/QUALIFIED NONBANK TRUSTEE RULES (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 408**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** Under IRC section 408(q), a qualified employer plan (plans described in sections 401(a) of the Code, 403(a), 403(b), and governmental plans under section 457(b)) may permit employees to make voluntary employee contributions to a "deemed IRA," i.e., separate account or annuity established under the plan. Generally, these accounts or annuities are treated as

IRAs pursuant to IRC section 408.

Proposed regulations providing guidance with respect to section 408(q) were published in the Federal Register on May 20, 2003, and the final regulations are expected to be published on or before March 31, 2004. Deemed IRAs must satisfy the requirements of section 408(a) except for the commingling requirements of section 408(a)(5). Consistent with this general rule, section 1.408(q)-1(f)(1) of the proposed regulations provides that the trustee or custodian of an individual retirement account must be a bank or an entity that received approval from the Commissioner to serve as a nonbank trustee, pursuant to section 1.408-2(e) of the regulations. IRC section 1.408-2(e)(1) provides that an entity must demonstrate by written application that the requirements of paragraphs (e)(2) to (e)(6) of that regulation will be met in order to qualify as a nonbank trustee. The new regulation will provide that governmental entities need not demonstrate that all of these requirements will be met with respect to any deemed IRAs maintained by that governmental entity. The new regulation will provide that a governmental entity must demonstrate in writing to the satisfaction of the Commissioner that the entity will administer the trust in a manner that is consistent with the requirements of section 408.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-101447-04

Drafting attorney: Linda L. Conway (202) 622-3051

Reviewing attorney: Janet A. Laufer (202) 622-6090

Treasury attorney: W. Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** Linda L. Conway, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue, NW, Washington, DC 20224

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Phone: 202 622-6090

**Related RIN:** Related to 1545-BD07

**RIN:** 1545-BD08

**2698. • PUBLIC INSPECTION OF WRITTEN DETERMINATIONS UNDER SECTION 6110 OF THE INTERNAL REVENUE CODE (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This temporary regulation replaces and updates the existing regulation to include procedures for the public availability of Chief Counsel Advice. It also reflects changes to the organizational structure of the Internal Revenue Service and Office of Chief Counsel, changes to the Code, and technological advances related to the electronic availability of Internal Revenue Service documents to the public.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-113129-98

Drafting attorney: Deborah C. Lambert-Dean (202) 622-4570

CC:PA:DPL

**Agency Contact:** Deborah C. Lambert-Dean, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4570  
Fax: 202 622-9888

**Related RIN:** Related to 1545-AX40

**RIN:** 1545-BD09

**2699. • DUAL CONSOLIDATED LOSS REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1503

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed regulation provides additional guidance with

respect to dual consolidated losses under section 1503(d).

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-102144-04

Drafting attorney: Kathryn T. Holman (202) 622-3860

Reviewing attorney: Michael H. Frankel (202) 622-3860

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Kathryn T. Holman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-BD10

**2700. • CURRENT LIABILITY INTEREST RATE UNDER SECTION 412(B)(5)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 412(b)(5)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations will provide rules regarding the current liability interest rate under section 412(b)(5).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105966-04

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

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-BD13

**2701. • CURRENT LIABILITY INTEREST RATE UNDER SECTION 412(B)(5) (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 412(b)(5)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This temporary regulation will provide rules regarding the current liability interest rate under section 412(b)(5).

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105966-04

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

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-BD13

**RIN:** 1545-BD14

**2702. • DEFINITION OF QUALIFIED FOREIGN CORPORATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805(a); 26 USC 1

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** Notice 2003-79, section 5, published on November 28, 2003, states that the IRS intends to issue regulations, for years after 2003, that provide procedures for a foreign corporation to certify that it is a qualified foreign corporation for

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purposes of IRC section 1(h)(11)(C). The regulations will also provide procedures for certifying that a security that is not a common or ordinary share is equity rather than debt; that a foreign company is entitled to benefits under a comprehensive income tax treaty where a security is not readily tradable on a recognized U.S. stock exchange; and that the foreign corporation is not a FPHC, FIC, or PFIC in the taxable year in which a dividend is paid, or in the preceding taxable year. The regulations are also expected to address the meaning of the requirement in the legislative history that to qualify under a treaty for purposes of 1(h)(11) "substantially all of . . . [the foreign corporation's] income in the taxable year in which the dividend is paid" must qualify for treaty benefits.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-107420-04

Drafting attorney: Michelle S. Lyon (202) 622-3880

Reviewing attorney: Karen Rennie Quarrie (202) 622-3880

Treasury attorney: John Harrington (202) 622-0589

CC:INTL

**Agency Contact:** Michelle S. Lyon, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3880

RIN: 1545-BD15

**2703. • TIME AND MANNER OF SECTION 163 INTEREST EQUIVALENT DEDUCTION ELECTION**

Priority: Info./Admin./Other

Legal Authority: 26 USC 163

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** These proposed regulations will provide guidance regarding time and manner for making the election under IRC section 163(d)(4)(B) to treat qualified dividend income as investment income.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-171386-03

Drafting attorney: Amy J. Pfalzgraf (202) 622-4950

Reviewing attorney: Christopher F. Kane (202) 622-4950

CC:ITA

**Agency Contact:** Amy J. Pfalzgraf, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4950

RIN: 1545-BD16

**2704. • MOVE AND UPDATE THE ESTIMATED TAX REGULATIONS**

Priority: Info./Admin./Other

Legal Authority: 26 USC 6654

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** The proposed regulation will move and update the estimated tax regulations from Treasury Regulation sections 1.6015(a)-(j) and 301.6015 to the section 6654 regulations.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-147157-03

Drafting attorney: Tonya L. Christianson (202) 622-4910

Reviewing attorney: Tiffany Smith (202) 622-4910

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:APJ

**Agency Contact:** Tonya L. Christianson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

RIN: 1545-BD17

**2705. • ESCROW ACCOUNTS, TRUSTS, AND OTHER FUNDS USED DURING DEFERRED EXCHANGES OF LIKE-KIND PROPERTY**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 468B(g)

CFR Citation: 26 CFR 1; 26 CFR 602

Legal Deadline: None

**Abstract:** These proposed regulations provide rules under section 468B(g) regarding the taxation and reporting of the income earned on escrow accounts, trusts, and other funds used for deferred exchanges of like-kind property under section 1031(a)(3). The proposed regulations affect qualified escrow accounts, qualified trusts, and other funds established in connection with deferred like-kind exchanges, and the taxpayers, escrowees, trustees, qualified intermediaries, and other parties who receive the funds or establish, maintain, and administer the accounts.

**Timetable:**

Action	Date	FR Cite
NPRM	08/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-113365-04

Drafting attorney: A. Katharine J. Kiss (202) 622-4930

Reviewing attorney: Jeffrey 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

Related RIN: Split from 1545-AR82

RIN: 1545-BD19

**2706. • SECTION 42 QUALIFIED CONTRACT PROVISIONS**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 42

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This proposed regulation under sections 42(h)(6)(F) and

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42(h)(6)(K) will provide guidance for provisions relating to qualified contracts.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-114084-03

Drafting attorney: Lauren R. Taylor (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Bruce Serchuk (202) 622-1766

CC:PSI

**Agency Contact:** Lauren R. Taylor, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-BD20

**2707. • PAYMENTS FOR WHICH NO RETURN OF INFORMATION IS REQUIRED UNDER SECTION 6041**

**Priority:** Info./Admin./Other. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 6041

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed regulation will remove section 1.6041-3(g) of the Income Tax Regulations.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-147136-03

Drafting attorney: Michelle B. Baxter (202) 622-4910

Reviewing attorney: James C. Gibbons (202) 622-7085

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Michelle B. Baxter, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue, NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BD21

**2708. • INTEREST ON LARGE CORPORATE UNDERPAYMENTS UNDER SECTION 6621 (C)**

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

**Legal Authority:** 26 USC 6621

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** These proposed regulations will amend section 301.6621-3 of the Procedure and Administration Regulations to address the treatment of net operating loss carrybacks, capital loss carrybacks, and a credit carrybacks for purposes of determining whether a large corporate underpayment exists under section 6621(c). This regulation will also implement the changes made by the Taxpayer Relief Act of 1997.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-147151-03

Drafting attorney: Michelle B. Baxter (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJ

**Agency Contact:** Michelle B. Baxter, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue, NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BD22

**2709. • GUIDANCE ON PHASED RETIREMENT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** Not Yet Determined

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed guidance will lay out rules for establishing a bona fide phased retirement program. Generally, such a program would provide employees who are at or near eligibility for retirement with the opportunity for a reduced schedule and to receive a distribution of a proportionate share of their pension benefits based on their "partial retirement."

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-114726-04

Drafting attorney: Cathy A. Vohs (202) 622-6090

Reviewing attorney: Janet Laufer (202) 622-6090

Treasury attorney: Bill Bortz (202) 622-1352

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-BD23

**2710. • DEEMED CORPORATE ELECTION FOR ELECTING S CORPORATIONS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will deem an S Corporation that makes a timely S Corporation election to have also made a timely election to be an association taxed as a corporation under section 301.7701-3(1)(i) to ease the administrative burden on taxpayers and IRS Service Centers. It will continue implementation of section 7701 under the secretary's general section 7805 regulatory authority.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	10/00/04	



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**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** Undetermined**Additional Information:** REG-131786-03Drafting attorney: Rebekah A. Myers  
(202) 622-3050Reviewing attorney: Dianna Miosi (202)  
622-3050Treasury attorney: Deborah Harrington  
(202) 622-1788

CC:PSI

**Agency Contact:** Rebekah A. Myers,  
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-BC32**RIN:** 1545-BD24**2711. • SECTION 1031 TRANSITION TO NAICS****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This proposed regulation provides guidance regarding determination of product class under section 1.1031(a)-2(b) of the Income Tax Regulations that was based on the obsolescent SIC codes. This regulation will update the old and direct taxpayers to use the North American Industry Classification System (NAICS) code to determine the product class of exchange property.**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-116265-04Drafting attorney: J. Peter Baumgarten  
(202) 622-4920Reviewing attorney: Roy A. Hirschhorn  
(202) 622-4920Treasury attorney: Deborah Harrington  
(202) 622-1788

CC:ITA

**Agency Contact:** J. Peter Baumgarten,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4950**RIN:** 1545-BD25**2712. • SECTION 1031 TRANSITION TO NAICS (TEMPORARY)****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This temporary regulation provides guidance regarding the determination of product class under section 1.1031(a)-2(b) of the Income Tax Regulations that was based on the obsolescent SIC codes. The new regulation will update the old and direct taxpayers to use the North American Industry Classification System (NAICS) code to determine the product class of exchange property.**Timetable:**

Action	Date	FR Cite
Temporary Regulation	10/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-116265-04Drafting attorney: J. Peter Baumgarten  
(202) 622-4920Reviewing attorney: Roy A. Hirschhorn  
(202) 622-4920Treasury attorney: Deborah Harrington  
(202) 622-1788

CC:ITA

**Agency Contact:** J. Peter Baumgarten,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4950**Related RIN:** Related to 1545-BD25**RIN:** 1545-BD26**2713. • STOCK HELD BY FOREIGN INSURANCE COMPANIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 864**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This is a proposed regulation relating to the application of the asset-use test to stock held by foreign insurance companies. The regulation will provide that the exception to the asset-use test will not apply in determining whether the income, gain, or loss from portfolio stock held by foreign insurance companies constitutes income effectively connected with the conduct of a U.S. trade or business.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-117307-04Drafting attorney: Sheila Ramaswamy  
(202) 622-3870Reviewing 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-BD27**2714. • DEFINITION OF DISQUALIFIED PERSON****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These proposed regulations provide certain changes to the definition of a disqualified person under section 1.1031-1(k) of the income tax regulations to facilitate the ability of banks and bank affiliates to act as qualified intermediaries in section 1031 exchanges.

## TREAS—IRS

## Proposed Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-160005-03

Drafting attorney: Brendan P. O'Hara (202) 622-4920

Reviewing attorney: Steven Toomey (202) 622-4920

CC:ITA

**Agency Contact:** Brendan O'Hara, Attorney Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7900

RIN: 1545-BD28

**2715. • ENTRY OF TAXABLE FUEL (TEMPORARY)**

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

**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The temporary regulations will provide rules for payment of tax when taxable fuel is entered by an unregistered person.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-120616-03

Drafting attorney: Celia Gabrysh (202) 622-3130

Reviewing attorney: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Celia A. Gabrysh, 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-BC08

RIN: 1545-BD29

**2716. • TIME AND MANNER OF SECTION 163 INTEREST EQUIVALENT DEDUCTION ELECTION (TEMPORARY)****Priority:** Info./Admin./Other**Legal Authority:** 26 USC 163(d)(4)(B)**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The temporary regulation will provide guidance regarding time and manner for making the election under IRC Section 163(d)(4)(B) to treat qualified dividend income as investment income.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	10/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-171386-03

Drafting attorney: Amy J. Pfalzgraf (202) 622-4950

**Agency Contact:** Amy J. Pfalzgraf, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4950

Related RIN: Related to 1545-BD16

RIN: 1545-BD30

**2717. • REQUIREMENTS FOR REORGANIZATIONS**

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

**Legal Authority:** 26 USC 7805; 26 USC 368**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will provide guidance regarding reorganizations under section 368(a)(1)(f) of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-106889-04

Drafting attorney: Robert B. Gray (202) 622-7550

Reviewing attorney: Debra L. Carlisle (202) 622-7550

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Robert B. Gray, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

RIN: 1545-BD31

**2718. • LIFO RECAPTURE UNDER SECTION 1363(D)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These proposed regulations provide guidance on a C corporation that, owning LIFO inventory through a partnership, converts to an S corporation or transfers its partnership interest to an S corporation.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-149524-03

Drafting attorney: Pietro Canestrelli (202) 622-3060

Treasury attorneys: Deborah Harrington (202) 622-1788 and Stephanie Robinson (202) 622-9858

CC:PSI

**Agency Contact:** Pietro E. Canestrelli, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

RIN: 1545-BD34

## TREAS—IRS

## Proposed Rule Stage

**2719. • CLARIFICATION OF DEFINITIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** These regulations will address the treatment of corporate continuances under section 7701.**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-124872-04

Drafting attorney: Thomas D. Beem (202) 622-3860

Reviewing attorney: Charles P. Besecky (202) 622-3860

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Thomas D. Beem, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3860

**RIN:** 1545-BD37**2720. • BRIEF ASSET HOLDING PERIOD (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 601; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will make modifications to the transactions involving a brief asset holding period reportable transaction filter under section 1.6011-4.**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** REG-124866-04

Drafting attorney: Tara P. Voungis (202) 927-7561

Reviewing attorney: Christine Ellison (202) 622-3070

Treasury attorney: Jonathan Ackerman (202) 622-3293

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 927-3080**RIN:** 1545-BD38**2721. • BRIEF ASSET HOLDING PERIOD****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6011; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation will make modifications to the transactions involving a brief asset holding period reportable transaction filter under section 1.6011-4.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-124866-04

Drafting attorney: Tara P. Volungis (202) 927-7561

Reviewing attorney: Christine Ellison (202) 622-3070

Treasury attorney: Jonathan Ackerman (202) 622-5293

CC:PSI

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 927-3080**RIN:** 1545-BD39**2722. • UNDERPAYMENT FOR QUALIFIED AMENDED RETURNS****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:** These regulations will revise the definition of "qualified amended return" in accordance with Notice 2004-38.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-122847-04

Drafting attorney: Nancy M. Galib (202) 622-7022

Reviewing attorney: Ashton P. Trice (202) 622-4940

Treasury attorneys: Julian Kim and Jonathan Ackerman (202) 622-1981

CC:APJ

**Agency Contact:** Nancy M. Galib, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Ave NW, Washington, DC 20024

Phone: 202 622-7022

**RIN:** 1545-BD40**2723. • UNDERPAYMENT FOR QUALIFIED AMENDED RETURNS (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** Not Yet Determined**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These temporary regulations will revise the definition of "qualified amended return" in accordance with Notice 2004-38.**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

## TREAS—IRS

## Proposed Rule Stage

**Small Entities Affected:** Businesses  
**Government Levels Affected:** None  
**Federalism:** Undetermined  
**Additional Information:** REG-122847-04  
 Drafting attorney: Nancy M. Galib (202) 622-7022  
 Reviewing attorney: Ashton P. Trice (202) 622-4940  
 Treasury attorneys: Julian Kim and Jonathan Ackerman (202) 622-1981  
 CC:PA:AP J  
**Agency Contact:** Nancy M. Galib, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Ave NW, Washington, DC 20024  
 Phone: 202 622-7022  
**Related RIN:** Related to 1545-BD40  
**RIN:** 1545-BD42

#### 2724. • APPLICATION OF SECTIONS 304(B)(6) AND 367 IN CROSS BORDER SECTION 304 TRANSACTIONS

**Priority:** Substantive, Nonsignificant  
**Legal Authority:** 26 USC 7805; 26 USC 304(b)(6); 26 USC 367(a)(6); 26 USC 367(b)  
**CFR Citation:** 26 CFR 1  
**Legal Deadline:** None  
**Abstract:** This proposed regulation will coordinate sections 304 and 367 in cross-border stock redemptions.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/04	

**Regulatory Flexibility Analysis Required:** No  
**Small Entities Affected:** No  
**Government Levels Affected:** None  
**Additional Information:** REG-127740-04  
 Drafting attorney: Tasheaya Warren Ellison (202) 622-3860  
 Reviewing attorney: Charles P. Besecky (202) 622-3860  
 Treasury attorney: Carl Dubert (202) 622-0222  
 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-BD46

#### 2725. • ASSET TRANSFERS FOLLOWING PUTATIVE REORGANIZATIONS

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.  
**Legal Authority:** 26 USC 7805  
**CFR Citation:** 26 CFR 1

**Legal Deadline:** None  
**Abstract:** This regulation provides amendments to section 1.368-2(K). The amendments provide that a transaction, that otherwise qualifies as a tax-free reorganization under section 368(a), will not be disqualified if the transaction is followed by a distribution of assets or stock and certain other requirements are satisfied.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No  
**Small Entities Affected:** No  
**Government Levels Affected:** None  
**Additional Information:** REG-130863-04

Drafting attorney: Jeffrey B. Fienberg (202) 622-7770

Reviewing attorney:

Treasury attorney:

CC:COR

**Agency Contact:** Jeffrey B. Fienberg, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
 Phone: 202 622-7770

**RIN:** 1545-BD56

### Department of the Treasury (TREAS) Internal Revenue Service (IRS)

## Final Rule Stage

#### 2726. 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	FR Cite
NPRM	05/16/86	51 FR 17990
Final Action	06/00/05	

**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

## TREAS—IRS

## Final Rule Stage

**2727. 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	FR Cite
NPRM	05/05/88	53 FR 16233
Hearing	03/01/89	54 FR 1189
Final Action	12/00/04	

**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, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-AK79**2728. 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	FR Cite
NPRM	01/21/93	58 FR 5316
Final Action	12/00/04	

**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**2729. 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**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC 337**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations will implement the guidance provided in Notice 89-37, 1989-1 C.B. 679, concerning the treatment of certain partnership transactions involving the stock of a corporate partner.

**Timetable:**

Action	Date	FR Cite
NPRM	12/15/92	57 FR 59324
NPRM Comment Period End	01/20/93	
Final Action	01/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208989-90 (CO-91-90)

Drafting attorney: Tara P. Volungis (202) 622-3080

Reviewing attorney: Christine Ellison (202) 622-3070

CC:PS&amp;I

**Agency Contact:** Tara P. Volungis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 927-3080

**RIN:** 1545-AP52**2730. 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	FR Cite
NPRM	12/10/92	57 FR 58423
NPRM Comment Period End	02/08/93	
Final Action	12/00/04	

**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

## TREAS—IRS

## Final Rule Stage

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

### 2731. 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	FR Cite
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	12/00/04	

**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

### 2732. 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	FR Cite
NPRM	02/01/99	64 FR 4801
NPRM Comment Period End	05/03/99	
Final Action	08/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209619-93 (IA-17-93)

Drafting attorney: Richard Shevak (202) 622-8142

Reviewing attorney: Jeffery G. Mitchell  
(202) 622-7034

CC:ITA:7

**Agency Contact:** Richard Shevak, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8142

**Related RIN:** Related to 1545-BD19

**RIN:** 1545-AR82

### 2733. 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	FR Cite
NPRM	01/04/95	60 FR 397
Final Action	12/00/04	

**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) 622-6289

Reviewing attorney: Elizabeth Handler  
(202) 622-3157

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: 202 622-6289

**RIN:** 1545-AS85

### 2734. 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 clarifies the circumstances in which common stock may be personal property for purposes of section 1092.

**Timetable:**

Action	Date	FR Cite
NPRM	05/02/95	60 FR 21482
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209768-95 (FI-21-95)

## TREAS—IRS

## Final Rule Stage

Drafting attorney: Mary Brewer (202) 622-3950

Reviewing attorney: Christina Morrison (202) 622-3950

Treasury attorney: Mike Novey (202) 622-1339

CC:FI

**Agency Contact:** Mary Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950

**RIN:** 1545-AT46

### 2735. DEFINITION OF PRIVATE ACTIVITY BOND—REFUNDING REGULATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide guidance on the application of the private loan test and the private business use and private payments/security tests to refunding bonds.

**Timetable:**

Action	Date	FR Cite
NPRM	12/30/94	59 FR 67658
NPRM Comment Period End	05/01/95	
Second NPRM	05/14/03	68 FR 25845
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-113007-99

Drafting attorney: Gary Bornholdt (202) 622-7870

Treasury attorney: Bruce M. Serchuk (202) 622-1766

CC:TEGE

**Agency Contact:** Gary W. Bornholdt, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7870

**RIN:** 1545-AU98

### 2736. 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	FR Cite
NPRM	10/14/97	62 FR 53504
Final Action	12/00/04	

**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

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

### 2737. 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	FR Cite
NPRM	01/21/99	64 FR 3257
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-116826-97

Drafting attorney: Sean Dwyer (202) 622-5020

Drafting attorney: Donna Crisalli (202) 622-5020

CC:ITA

**Agency Contact:** Sean Dwyer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-5020

**RIN:** 1545-AW01

### 2738. 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	FR Cite
NPRM	01/28/99	64 FR 4374
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-104924-98

Drafting attorney: Stephen J. Coleman (202) 622-6289

Reviewing attorney: Robert Williams (202) 622-3157

CC:FI

**Agency Contact:** Stephen J. Coleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6289

**RIN:** 1545-AW06

### 2739. INTERCOMPANY OBLIGATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 1502; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

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**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	FR Cite
NPRM	12/18/98	63 FR 70354
NPRM Comment Period End	03/22/99	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105964-98

Drafting attorney: Frances Kelly (202) 622-7072

Reviewing attorney: Michael J. Wilder (202) 622-3393

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Frances L. 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

**2740. 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	FR Cite
NPRM	08/29/03	68 FR 51944
Final Action	12/00/04	

**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

CC:INTL

**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

**2741. 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 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, the Internal Revenue Service Restructuring and Reform Act of 1998, and the Jobs and Growth Tax Relief Reconciliation Act of 2003.

**Timetable:**

Action	Date	FR Cite
NPRM	11/20/03	68 FR 65419
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-110896-98

Drafting attorney: Theresa M. Melchiorre (202) 622-7830

Reviewing attorney: Katherine A. Mellody (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Theresa M. Melchiorre, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830

**RIN:** 1545-AW35

**2742. 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 payments of gross proceeds made in the course of a trade or business to attorneys in connection with legal services.

**Timetable:**

Action	Date	FR Cite
NPRM	05/21/99	64 FR 27730
Second NPRM	05/17/02	67 FR 35064
Final Action	12/00/04	

**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: Eric San Juan (202) 622-0224

CC:PA:APJ

**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

**2743. 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	FR Cite
NPRM	02/08/00	65 FR 6090
Public Hearing	05/26/00	
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None



## TREAS—IRS

## Final Rule Stage

**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

**2744. HIGHWAY VEHICLE—  
DEFINITION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
4051

**CFR Citation:** 26 CFR 48

**Legal Deadline:** None

**Abstract:** This regulation provides  
amendments to regulations relating to  
definition of a highway vehicle.

**Timetable:**

Action	Date	FR Cite
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

**Additional Information:** REG-103829-99

Drafting attorney: Theodore N.  
Margopulos (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:** Theodore N.  
Margopulos, Attorney-Advisor,  
Department of the Treasury, Internal  
Revenue Service, 1111 Constitution  
Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**RIN:** 1545-AX10

**2745. 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	FR Cite
NPRM	05/31/02	67 FR 38025
Final Action	07/00/04	

**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

Treasury attorney: George Manousos  
(202) 622-0865

CC:PSI

**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-AX12

**2746. 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	FR Cite
NPRM	07/17/03	68 FR 42476
Final Action	12/00/04	

**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

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

**Related RIN:** Related to 1545-AX43

**RIN:** 1545-AX26

**2747. 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	FR Cite
Temporary Regulations	12/00/04	

**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

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

**Related RIN:** Related to 1545-AX26

**RIN:** 1545-AX43

## TREAS—IRS

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**2748. 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	FR Cite
NPRM	11/15/00	65 FR 69138
Final Action	12/00/04	

**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**2749. 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	FR Cite
NPRM	02/05/90	55 FR 3750
Final Action	12/00/04	

**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**2750. 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	FR Cite
NPRM	04/08/97	62 FR 16977
Final Action	09/00/04	

**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

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of theTreasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080**RIN:** 1545-AX84**2751. 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	FR Cite
NPRM	01/03/01	66 FR 319
Final Action	12/00/04	

**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, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850**RIN:** 1545-AX88**2752. CAPITALIZATION OF INTEREST  
AND CARRYING CHARGES  
PROPERLY ALLOCABLE TO  
STRADDLES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 263; 26 USC 1092**CFR Citation:** 26 CFR 1**Legal Deadline:** None

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**Abstract:** These regulations will clarify the types of payments that may be “interest” or “carrying charges” subject to 26 U.S.C. 263(g), clarify the operation of the capitalization rules of 26 U.S.C. 263(g), and also clarify what constitutes “positions” and “losses” subject to 26 U.S.C. 1092.

**Timetable:**

Action	Date	FR Cite
NPRM	01/18/01	66 FR 4746
Comment Period End	05/01/01	
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105801-00

Drafting attorney: Mary Brewer (202) 622-3950

Reviewing attorney: Christina Morrison (202) 622-3950

Treasury attorney: Mike Novey (202) 622-1339

CC:FI

**Agency Contact:** Mary Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950

**RIN:** 1545-AX92

**2753. 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 regulation prevents the acceleration or duplication of losses through the assumption of liabilities in transactions involving partnerships.

**Timetable:**

Action	Date	FR Cite
NPRM	06/24/03	68 FR 37434
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**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

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-BB83

**RIN:** 1545-AX93

**2754. AUTHORIZED PLACEMENT AGENCY**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 152

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation amends 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	FR Cite
NPRM	11/30/00	65 FR 71277
Final Action	12/00/04	

**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:APJ

**Agency Contact:** Elizabeth K. Kaye, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-AY18

**2755. WITHHOLDING TAX ON FOREIGN PARTNERS’ SHARE OF EFFECTIVELY CONNECTED INCOME**

**Priority:** Substantive, Nonsignificant

**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	FR Cite
NPRM	09/03/03	68 FR 52466
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** 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 (202) 622-0851

CC:INTL

**Agency Contact:** David J. Sotos, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-AY28

**2756. 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.

## TREAS—IRS

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**Timetable:**

Action	Date	FR Cite
NPRM	01/08/01	66 FR 1435
Final Action	12/00/04	

**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

**2757. 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	FR Cite
NPRM	01/10/01	66 FR 1437
Final Action	12/00/04	

**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

**2758. 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	FR Cite
NPRM	01/08/01	66 FR 1421
Final Action	12/00/04	

**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

**2759. 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	FR Cite
NPRM	06/13/02	67 FR 40629
Public Hearing	10/08/02	
Final Action	12/00/04	

**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:APJ

**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

**2760. 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

**Abstract:** These final regulations will address certain transactions between controlled parties that involve intangibles. The regulations will provide rules for allocation of income and deductions with respect to intangibles pursuant to IRC 5482.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Federalism: Undetermined

Additional Information: REG-115037-00

## TREAS—IRS

## Final Rule Stage

Drafting attorneys: Helen Hong-George (202) 435-5220; Thomas A. Vidano (202) 435-5265

Reviewing attorney: John M. Breen (202) 435-5265

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** Thomas A. Vidano, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5265

**RIN:** 1545-AY38

#### 2761. GUIDANCE UNDER SECTION 355(E); 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 or more of the stock of the distributing corporation or controlled corporation is acquired pursuant to a plan that includes the distribution.

##### Timetable:

Action	Date	FR Cite
NPRM	04/26/02	67 FR 20711
Final Action	12/00/04	

##### 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:4

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

**Related RIN:** Related to 1545-BA55

**RIN:** 1545-AY42

#### 2762. ELECTION—ASSET ACQUISITIONS OF INSURANCE COMPANIES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 197; 26 USC 338; 26 USC 7805

**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	FR Cite
NPRM	03/08/02	67 FR 10640
Public Hearing	09/18/02	
Final Action	09/00/04	

##### 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:COR

**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

#### 2763. 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	FR Cite
NPRM	01/10/01	66 FR 1923
Final Action	12/00/04	

##### 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

#### 2764. 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	FR Cite
NPRM	03/04/03	68 FR 10190
Final Action	12/00/04	

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**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**2765. 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	FR Cite
ANPRM	05/01/01	66 FR 21844
NPRM	12/26/01	66 FR 66376
Public Hearing	03/14/02	
Final Action	12/00/04	

**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

**Agency Contact:** Paul F. Handleman, Attorney-Advisor, Department of theTreasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040**RIN:** 1545-AY87**2766. 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	FR Cite
NPRM	11/15/01	66 FR 57400
Second NPRM	01/24/03	68 FR 3477
Final Action	12/00/04	

**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 a cross-referencing proposed regulation to a temporary regulation published in the Federal Register on January 24, 2003, and a notice of proposed rulemaking.

The temporary regulations also use the REG-126485-01 number. The document published with respect to the temporary regulations also serve as 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**2767. REDUCTIONS OF ACCRUALS AND ALLOCATIONS BECAUSE OF INCREASED AGE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 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	FR Cite
NPRM	12/11/02	67 FR 76123
Hearing	04/09/03	
Final Action	12/00/04	

**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

**Agency Contact:** Linda S.F. Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

## TREAS—IRS

## Final Rule Stage

Phone: 202 622-6090

**Related RIN:** Related to 1545-BB79

**RIN:** 1545-BA10

### 2768. 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	FR Cite
NPRM	01/31/03	68 FR 4970
Final Action	12/00/04	

**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:APJ

**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

**Related RIN:** Related to 1545-BB88

**RIN:** 1545-BA17

### 2769. 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	FR Cite
NPRM	08/19/03	68 FR 49729
Final Action	12/00/04	

**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

### 2770. 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.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 3101; 26 USC 3111; 26 USC 3121; 26 USC 3301; 26 USC 3306; 26 USC 3401; 26 USC 3402; 26 USC 7805

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** The regulations under sections 424, 3121, 3306, and 3401 clarify the application of the Federal Insurance Contributions Act (FICA), Federal Unemployment Tax Act (FUTA), and the Collection of Income Tax at Source to statutory stock options; i.e., incentive stock options under section 422 (ISOs) and options granted under employee stock purchase plans under section 423 (ESPP options). The regulations provide that at the time of the exercise of a statutory stock option, the individual who was granted the statutory stock option receives wages for FICA and FUTA purposes. The regulations also provide that the amount of wages received equals the

excess of the fair market value of the stock acquired pursuant to the exercise of the statutory stock option over the amount paid for the stock and that income tax withholding is not required when an individual exercises a statutory stock option because no income is recognized at the time of exercise by reason of section 421(a)(1).

**Timetable:**

Action	Date	FR Cite
NPRM	11/13/01	66 FR 57023
Public Hearing	05/14/02	67 FR 5076
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-142686-01

Drafting attorney: Stephen B. Tackney (202) 622-6040

Reviewing attorney: Michael A. Swim (202) 622-6040

Treasury attorney: Bill Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Stephen B. Tackney, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6030

**RIN:** 1545-BA26

### 2771. 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 State and local governments.

**Timetable:**

Action	Date	FR Cite
NPRM	04/10/02	67 FR 17310
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Local, State

**Additional Information:** REG-165706-01

## TREAS—IRS

## Final Rule Stage

Drafting attorney: Michael P. Brewer  
(202) 622-3980

Reviewing attorney: Timothy L. Jones  
(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

**2772. 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 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	FR Cite
NPRM	05/31/02	67 FR 38040
Final Action	12/00/04	

**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:COR

**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

**2773. REQUIRED DISTRIBUTIONS FROM RETIREMENT PLANS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 401(a)(9)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to required minimum distributions from defined benefit plans and annuity contracts.

**Timetable:**

Action	Date	FR Cite
NPRM	04/17/02	67 FR 18834
Hearing	09/04/02	67 FR 56509
Final Action	07/00/04	

**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

**2774. 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	FR Cite
NPRM	07/08/03	68 FR 40583
Final Action	12/00/04	

**Regulatory Flexibility Analysis**  
**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**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,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 927-3080

**RIN:** 1545-BA69

**2775. 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	FR Cite
NPRM	12/30/03	68 FR 75186
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-122379-02

Drafting attorney: Brinton T. Warren  
(202) 622-7800

Reviewing attorney: Richard S.  
Goldstein (202) 622-3400

Treasury attorney: Julian Kim (202)  
622-1981

CC:PA:APJ

**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-BA70



## TREAS—IRS

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**2776. 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	FR Cite
NPRM	05/31/02	67 FR 38039
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-122564-02

Drafting attorney: Theresa Kolish (202) 622-7530

Reviewing attorney: Lewis Brickates (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Theresa M. Kolish, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530**Related RIN:** Related to 1545-BA76**RIN:** 1545-BA73**2777. 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	FR Cite
NPRM	06/09/03	68 FR 34344
Final Action	08/00/04	

**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: Dan Hogans (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**2778. 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	FR Cite
NPRM	10/07/02	67 FR 62417
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None**Additional Information:** REG-124667-02

Drafting attorney: John Ricotta (202) 622-6060

Reviewing attorney: Linda Marshall (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

CC:TEGE

**Agency Contact:** John T. Ricotta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060**RIN:** 1545-BA78**2779. REDEMPTIONS TREATED AS DIVIDENDS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation under section 302 of the Internal Revenue Code (Code), permits basis of redeemed stock to be recovered by the redeemed shareholder. Regulations under section 304 of the Code reflect changes made by the Internal Revenue Service Restructuring and Reform Act of 1998, Taxpayer Relief Act of 1997, Tax Reform Act of 1986, Deficit Reduction Act of 1984, and the Tax Equity and Fiscal Responsibility Act of 1982 to the statute. Regulations under section 304 also reference proposed regulations under section 302 as they relate to the treatment of basis of redeemed stock in redemptions treated as dividends.**Timetable:**

Action	Date	FR Cite
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**Additional Information:** REG-150313-01

Drafting attorney: Aimee K. Meacham (202) 622-7530

Reviewing attorney: Lewis K. Brickates (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**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-BA80

## TREAS—IRS

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**2780. 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	FR Cite
NPRM	08/06/03	68 FR 46516
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-128203-02

Drafting attorney: Richard T. Probst (202) 622-3060

Reviewing attorney: Thomas Hines (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**2781. 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	FR Cite
NPRM	06/20/02	67 FR 41892
NPRM Comment	09/18/02	
Period End		
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**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**2782. 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	FR Cite
NPRM	08/02/02	67 FR 50386
Hearing	12/05/02	67 FR 50386
Final Action	12/00/04	

**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: Andrew Froberg (202) 622-1779

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**2783. 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	FR Cite
NPRM	07/29/03	68 FR 44499
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-133791-01

Drafting attorney: Jaime C. Park (202) 622-3120

Reviewing attorney: Brenda M. Stewart (202) 622-3120

Treasury attorney: Sharon Kay (202) 622-0865

CC:PSI

**Agency Contact:** Jaime C. Park, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Ave NW, Washington, DC 20024  
Phone: 202 622-3120

**Related RIN:** Related to 1545-AX05**RIN:** 1545-BA88

## TREAS—IRS

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**2784. DESIGNATED IRS OFFICER OR EMPLOYEE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7602**CFR Citation:** 26 CFR 1; 26 CFR 301**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	FR Cite
NPRM	09/10/02	67 FR 57354
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-134026-02

Drafting attorney: Elizabeth D. Rawlins (202) 622-3600

Reviewing attorney: Robert A. Miller (202) 622-3600

Treasury attorney: Julian Kim (202) 622-1981

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: 202 622-3600**Related RIN:** Related to 1545-BA98**RIN:** 1545-BA89**2785. 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	FR Cite
NPRM	12/24/02	67 FR 78398
Final Action	12/00/04	

**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 San 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**2786. 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 regulation provides guidance under section 168 regarding depreciation of property for which the use changes.**Timetable:**

Action	Date	FR Cite
NPRM	07/21/03	68 FR 43047
Partially Withdrawn	03/01/04	69 FR 9561
Final Action	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-138499-02

Drafting attorney: Sara L. Logan (202) 622-3110

Reviewing attorney: Kathleen Reed (202) 622-3110

Treasury attorney: George Manousos (202) 622-1335

CC:PSI

**Agency Contact:** Sara L. Logan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3110

**RIN:** 1545-BB05**2787. CAPITAL ACCOUNT BOOKUP****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 704; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will expand the circumstances under which a revaluation of partnership capital accounts is permitted.**Timetable:**

Action	Date	FR Cite
NPRM	07/02/03	68 FR 39498
Final Action	07/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-139796-02

Drafting attorney: Laura C. Nash (202) 622-3050

Reviewing attorney: David Haglund (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Laura C. Nash, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3050**RIN:** 1545-BB10**2788. 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	FR Cite
NPRM	04/21/04	69 FR 21454
Final Action	12/00/04	

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## Final Rule Stage

**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 (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Beverly M. Katz, 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-BD11

RIN: 1545-BB11

**2789. 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	FR Cite
NPRM	12/24/03	68 FR 74534
Public Hearing	04/19/04	69 FR 20840
Final Action	12/00/04	

**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

CC:PSI

**Agency Contact:** Theresa M. Melchiorre, Attorney-Advisor,

Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830

RIN: 1545-BB12

**2790. EXCISE TAX RELATING TO 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	FR Cite
NPRM	02/19/03	68 FR 7956
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

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

**2791. 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 regulation will amend existing regulations on testimony authorizations and requests for IRS information.

**Timetable:**

Action	Date	FR Cite
NPRM	07/09/03	68 FR 40850
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-140930-02

Drafting attorney: Scott E. Powers (202) 622-4580

Reviewing attorney: David L. Fish (202) 622-4590

CC:PA:DPL

**Agency Contact:** Scott E. Powers, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Ave NW, Washington, DC 20024

Phone: 202 622-4580

RIN: 1545-BB15

**2792. INVESTIGATIVE DISCLOSURES**

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.

**Timetable:**

Action	Date	FR Cite
NPRM	07/10/03	68 FR 41089
Final Action	12/00/04	

**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

## TREAS—IRS

## Final Rule Stage

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**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

### 2793. TOLL TELEPHONE SERVICE—DEFINITION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 49

**Legal Deadline:** None

**Abstract:** This regulation provides amendments to regulations relating to the definition of toll telephone service.

**Timetable:**

Action	Date	FR Cite
NPRM	04/01/03	68 FR 15690
Hearing	09/10/03	68 FR 35828
Final Action	12/00/04	

**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 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-BB18

### 2794. AUTHORIZATION FOR IRS TO CHARGE FEES FOR COPYING EXEMPT ORGANIZATION RETURNS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6104

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The regulation provides authorization for Internal Revenue Service to charge fees for copying exempt organization returns.

**Timetable:**

Action	Date	FR Cite
NPRM	07/09/03	68 FR 40849
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-142538-02

Drafting attorney: Sarah Tate (202) 622-4590

Reviewing attorney: Philip Lindenmuth (202) 622-4560

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** Sarah Tate, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4590

**Related RIN:** Related to 1545-BB22

**RIN:** 1545-BB21

### 2795. DUPLICATIVE TAX BENEFITS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1502

**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 a 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 losses onto a single block of subsidiary stock and selling only that stock, while maintaining that subsidiary as part of the group.

**Timetable:**

Action	Date	FR Cite
NPRM	03/14/03	68 FR 12324
Final Action	12/00/04	

**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 P. Duffley (202) 622-7530

CC:COR

**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

**Related RIN:** Related to 1545-BB95

**RIN:** 1545-BB25

### 2796. 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	FR Cite
NPRM	06/11/03	68 FR 34875
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**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:APJ

**Agency Contact:** Charles A. Hall, Senior Counsel, Department of the Treasury, Internal Revenue Service,

## TREAS—IRS

## Final Rule Stage

1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4940

RIN: 1545-BB29

### 2797. 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:** Those final regulations amend the rules for allocation of income and deductions with respect to services between members of a group of controlled entities, pursuant to section 482.

**Timetable:**

Action	Date	FR Cite
NPRM	09/10/03	68 FR 53448
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-146893-02

Drafting attorneys: Thomas A. Vidano (202) 435-5265 and Helen Hong-George (202) 435-5220

Reviewing attorneys: John M. Breen (202) 435-5265

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** Thomas A. Vidano, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5265

RIN: 1545-BB31

### 2798. 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:** This regulation will 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	FR Cite
NPRM	05/07/03	68 FR 24404
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-152524-02

Drafting attorney: Jeffrey B. Fienberg (202) 622-7700

Reviewing attorney: Alison G. Burns (202) 622-7550

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Jeffrey B. Fienberg, 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-BB39

RIN: 1545-BB38

### 2799. 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:**

Action	Date	FR Cite
NPRM	11/21/03	68 FR 65645
Final Action	07/00/04	

**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 the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4970

RIN: 1545-BB43

### 2800. 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 loss or risk.

**Timetable:**

Action	Date	FR Cite
NPRM	12/18/02	67 FR 77450
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

## TREAS—IRS

## Final Rule Stage

**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: 202 622-7900

**RIN:** 1545-BB44

### 2801. 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	FR Cite
NPRM	12/00/03	
Final Action	07/00/04	

**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 Doug Fahey (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

### 2802. 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	FR Cite
NPRM	09/08/03	68 FR 53008
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-157164-02

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

**Related RIN:** Related to 1545-BC19

**RIN:** 1545-BB57

### 2803. 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	FR Cite
NPRM	11/18/02	67 FR 69496
Final Action	12/00/04	

**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:APJ

**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

### 2804. 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:** The proposed regulations will raise the amount of accumulated Federal Unemployment Tax Act for taxes that a taxpayer may accumulate before being required to deposit.

**Timetable:**

Action	Date	FR Cite
NPRM	07/17/03	68 FR 42329
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**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) 622-7134

## TREAS—IRS

## Final Rule Stage

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8445

**Related RIN:** Related to 1545-BB67

**RIN:** 1545-BB66

### 2805. 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	FR Cite
NPRM	07/09/03	68 FR 40848
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-143679-02

Drafting attorneys: Daniel F. Heins and Mary E. Goode (202) 622-7930

Reviewing attorney: Reginald Mombrun (202) 622-7930

CC:COR

**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

### 2806. 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 regulation modifies the existing section under 26 U.S.C. 817(h) relating to guidance on life insurance and annuity contracts.

**Timetable:**

Action	Date	FR Cite
NPRM	07/30/03	68 FR 44689
Final Action	09/00/04	

**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

CC:FI

**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

### 2807. 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	FR Cite
NPRM	12/11/02	67 FR 761213

Action	Date	FR Cite
Hearing	04/09/03	
Final Action	12/00/04	

**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

### 2808. NOTIONAL PRINCIPAL CONTRACTS; CONTINGENT NONPERIODIC PAYMENTS

**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	FR Cite
NPRM	02/26/04	69 FR 8886
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Additional Information:** REG-166012-02

Drafting attorney: Kathleen Sleeth (202) 622-3920

Reviewing attorney: Elizabeth Handler (202) 622-3920

Treasury attorney: Viva Hammer (202) 622-0869

CC:FI



TREAS—IRS

Final Rule Stage

**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

### 2809. REDUCTION OF TAX ATTRIBUTES DUE TO DISCHARGE OF INDEBTEDNESS INCOME

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations clarify that if a taxpayer realizes, but excludes, COD income either during or after the taxable year for which the taxpayer is the distributor or transferor of assets for a transaction described in section 381(a), those tax attributes to which the acquiring corporation succeeds, including basis of property, must reflect the reductions required by section 108(b).

**Timetable:**

Action	Date	FR Cite
NPRM	07/18/03	68 FR 42652
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-113112-03

Drafting attorney: Theresa M. Kolish (202) 622-7530

Reviewing attorney: Steve Hankin (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Theresa M. Kolish, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**RIN:** 1545-BB98

### 2810. NEW MARKETS TAX CREDIT AMENDMENTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 45D; 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	FR Cite
NPRM	03/11/04	69 FR 11561
Public Hearing	06/02/04	
Final Action	12/00/04	

**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

**Related RIN:** Related to 1545-BC02

**RIN:** 1545-BC03

### 2811. TRANSFERS OF NONSTATUTORY STOCK OPTIONS TO RELATED PERSONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 83

**CFR Citation:** 26 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:**

Action	Date	FR Cite
NPRM	07/02/03	68 FR 39498
Final Action	07/00/04	

**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

Reviewing attorney: Robert Misner (202) 622-6030

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Stephen B. Tackney, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6030

**RIN:** 1545-BC06

### 2812. NOTARIZATION REQUIREMENT FOR STATEMENTS OF PURCHASE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 1042(a)(1); 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations would modify the requirement that statements of purchase of qualified replacement property be notarized within 30 days of purchase.

**Timetable:**

Action	Date	FR Cite
NPRM	07/10/03	68 FR 41087
Comment Period End	10/08/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-121122-03

Drafting attorney: John T. Ricotta (202) 622-6060

Reviewing attorney: Robert Patchell (202) 622-6060

CC:TEGE

**Agency Contact:** John T. Ricotta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BC11

## TREAS—IRS

## Final Rule Stage

**2813. GUIDANCE NECESSARY TO FACILITATE BUSINESS ELECTRONIC FILING****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None**Abstract:** The regulatory amendments are designed to facilitate electronic filing of certain income tax returns and other forms.**Timetable:**

Action	Date	FR Cite
NPRM	12/19/03	68 FR 70747
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Federal**Additional Information:** REG-116664-01

Drafting attorney: Nathan B. Rosen (202) 622-4910

Reviewing attorney: Pamela Fuller (202) 622-4910

Treasury attorney: John Parcell (202) 622-2578

CC:PA:API

**Agency Contact:** Nathan B. Rosen, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910**RIN:** 1545-BC15**2814. CONTINGENT AT CLOSING ESCROWS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 468**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None**Abstract:** The regulations will provide rules for taxing the income of a contingent at closing escrow. A contingent at closing escrow is, generally, established in connection with the sale or exchange of real or personal property to hold assets that will be distributable to the purchaser or seller based on the post-closing resolution of bona fide contingencies. The rules will require the purchaser or seller to take into account all items of income and deduction for Federal income tax purposes.**Timetable:**

Action	Date	FR Cite
NPRM	02/01/99	64 FR 4801
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-103422-03

Drafting attorney: Richard Shevak (202) 622-8142

Reviewing attorney: Jeff Mitchell (202) 622-7934

Treasury attorney: Deborah Harrington (202) 622-1788

CC:ITA:7

**Agency Contact:** Richard Shevak, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8142**Related RIN:** Related to 1545-AR82**RIN:** 1545-BC16**2815. CHANGES IN COMPUTING DEPRECIATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides guidance under section 446(e) regarding changes in computing depreciation or amortization.**Timetable:**

Action	Date	FR Cite
NPRM	01/02/04	69 FR 42
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Additional Information:** REG-126459-03

Drafting attorney: Sara L. Logan (202) 622-3110

Reviewing attorney: Kathleen Reed (202) 622-3110

Treasury attorney: George Manousos (202) 622-1335

CC:PSI

**Agency Contact:** Sara L. Logan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3110**Related RIN:** Related to 1545-BC17**RIN:** 1545-BC18**2816. SECTION 411(D)(6) PROTECTED BENEFITS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 4980**CFR Citation:** 26 CFR 1; 26 CFR 54**Legal Deadline:** None**Abstract:** These regulations will provide guidance relating to section 411(d)(6) of the Code regarding the elimination or reduction of certain early retirement benefits, retirement-type subsidies, and optional forms of benefit (section 411(d)(6)(B) protected benefits), and will address both: 1) when these benefits result in significant burdens and complexities for plans and its participants; and 2) when such benefits are of de minimis value to participants.**Timetable:**

Action	Date	FR Cite
NPRM	06/24/04	69 FR 13769
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-128309-03

Drafting attorney: Pamela R. Kinard (202) 622-6060

Reviewing attorney: Linda S. Marshall (202) 622-6090

Treasury attorney: William Bortz

CC:TEGE

**Agency Contact:** Pamela R. Kinard, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060**RIN:** 1545-BC26

## TREAS—IRS

## Final Rule Stage

**2817. PRESERVATION OF STOCK BASIS**

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

**Legal Authority:** 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation governs the determination of stock basis of the former common parent following a group structure change.

**Timetable:**

Action	Date	FR Cite
NPRM	07/08/03	68 FR 40579
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-130262-03

Drafting attorney: Ross E. Poulsen (202) 622-7770

Reviewing attorney: Marlene Oppenheim (202) 622-7770

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Ross E. Poulsen, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**RIN:** 1545-BC28

**2818. PROHIBITED ALLOCATION OF SECURITIES IN AN S CORPORATION**

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

**Legal Authority:** 26 USC 7805; 26 USC 409(p)(7)(A)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will provide guidance for employee stock ownership plans holding stock of a subchapter S corporation concerning the prohibition against allocations to disqualified persons under section 409(p).

**Timetable:**

Action	Date	FR Cite
NPRM	07/21/03	68 FR 43058

Action	Date	FR Cite
Comment Period End	10/20/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-129709-03

Drafting attorney: John T. Ricotta (202) 622-6060

Reviewing attorney: Marjorie Hoffman (202) 622-6060

CC:TEGE

**Agency Contact:** John T. Ricotta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**Related RIN:** Related to 1545-BC33

**RIN:** 1545-BC34

**2819. ELIMINATION OF FORMS OF DISTRIBUTION IN DEFINED CONTRIBUTION PLANS**

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

**Legal Authority:** 26 USC 411(d)(b)(E)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will amend the section 411(d)(b) regulations to conform to the amendments made by EGTRRA, in accordance with section 411(d)(b)(E), relating to the elimination of forms of distribution in defined contribution plans.

**Timetable:**

Action	Date	FR Cite
NPRM	07/08/03	68 FR 40581
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-112039-03

Drafting attorney: Vernon S. Carter (202) 622-6060

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Vernon S. Carter, Tax Law Specialist, Department of the

Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BC35

**2820. DEPRECIATION OF VANS AND LIGHT TRUCKS**

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

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will provide guidance defining a specific class of vans and light trucks as exempt from the depreciation limitations imposed on passenger automobiles under section 280F.

**Timetable:**

Action	Date	FR Cite
NPRM	07/07/03	68 FR 40224
Final Action	07/00/04	

**Regulatory Flexibility Analysis Required:** No

**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 Ramsey (202) 622-3110

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**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-BC36

**2821. GUIDANCE UNDER SECTION 1502; APPLICATION OF SECTION 108 TO MEMBERS OF A CONSOLIDATED GROUP**

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

**Legal Authority:** 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

## TREAS—IRS

## Final Rule Stage

**Abstract:** The regulations under section 1502 of the Internal Revenue Code provide guidance concerning the application of certain provisions of section 108 to members of a consolidated group.

**Timetable:**

Action	Date	FR Cite
NPRM	12/11/03	68 FR 69062
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-132760-03

Drafting attorney: Amber R. Cook (202) 622-7530

Reviewing attorney: Marie Milnes-Vasquez (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**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

**Related RIN:** Related to 1545-BC39

**RIN:** 1545-BC38

**2822. REMEDIAL ACTIONS FOR TAX EXEMPT BONDS**

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

**Legal Authority:** 26 USC 141; 26 USC 142

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations amend final regulations under sections 1.141-12 and 1.141-2 that provide certain permitting remedial actions for tax exempt bonds issued by State and local governments and make related amendments to sections 1.141-15 and 1.141-16. This regulation revises the definition of the amount of nonqualified bonds under section 1.141-12 and amends the provision of sections 1.141-12 and 1.141-2 relating to allocations of nonqualified bonds.

**Timetable:**

Action	Date	FR Cite
NPRM	07/21/03	68 FR 43059
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-132483-03

Drafting attorney: Gary W. Bornholdt (202) 622-7870

Reviewing attorney: Bruce Serchuk (202) 622-1766

CC:TEGE

**Agency Contact:** Gary W. Bornholdt, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7870

**RIN:** 1545-BC40

**2823. SUBSTITUTE FOR RETURN (SFR) AND AUTOMATED SUBSTITUTE FOR RETURN (ASFR) (TEMPORARY)**

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

**Legal Authority:** 26 USC 7805; 26 USC 6020

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The temporary regulation serves to be the Service's expression of intent that certain documents generated in the substitute for return (SFR) and Automated Substitute for Return (ASFR) process constitute section 6020(b) returns for purposes of assessing the section 6651(a)(2) addition to tax.

**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** Undetermined

**Additional Information:** REG-131739-03

Drafting attorney: Tracey B. Leibowitz (202) 622-4940

Reviewing attorney: Ashton Trice (202) 622-4940

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:APJ

**Agency Contact:** Tracey B. Leibowitz, 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-BC45

**RIN:** 1545-BC46

**2824. GUIDANCE ON PFIC PURGING ELECTIONS**

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

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These final regulations will provide guidance to taxpayers on making timely deemed sale and deemed dividend elections under sections 1298(b)(1) and 1291.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-120657-04

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

Treasury attorney: Michael Caballero (202) 622-0857

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-BC49

**2825. SUSPENSION OF RUNNING OF PERIOD OF LIMITATION DURING A PROCEEDING TO ENFORCE OR QUASH A DESIGNATED OR RELATED SUMMONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 25 USC 6503

## TREAS—IRS

## Final Rule Stage

**CFR Citation:** 26 CFR 1; 26 CFR 301**Legal Deadline:** None**Abstract:** These regulations relate to the use of designated and related summonses and the effect on the period of limitations on assessment when a case is brought with respect to a designated or related summons.**Timetable:**

Action	Date	FR Cite
NPRM	07/31/03	68 FR 44905
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208199-91

Drafting attorney: Elizabeth D. Rawlins (202) 622-3600

Reviewing attorney: Robert A. Miller (202) 622-3600

Treasury attorney: Julian Kim (202) 622-1981

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: 202 622-3600**RIN:** 1545-BC55**2826. GUIDANCE UNDER SECTION 1502; APPLICATION OF SECTION 108 TO MEMBERS OF A CONSOLIDATED GROUP****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations amend REG-132760-03 published in the Federal Register on September 4, 2003 (68 FR 52542), and TD 9089 also published in the Federal Register on September 4, 2003 (68 FR 52487). Those regulations provided guidance concerning the application of section 108 to members of a consolidated group.**Timetable:**

Action	Date	FR Cite
NPRM	12/03/03	68 FR 69062
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-153319-03

Drafting attorney: Amber R. Cook (202) 622-7530

CC:COR

**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**Related RIN:** Related to 1545-BC38, Related to 1545-BC39**RIN:** 1545-BC74**2827. • GUIDANCE UNDER SECTION 1502; COMPUTATION OF TAXABLE INCOME WHEN SECTION 108 APPLIES TO A MEMBER OF A CONSOLIDATED GROUP****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations provide guidance to prevent circular bases computations resulting from the application of sections 108(b) and 1.1502-28T, and guidance regarding recapture under section 1245 following application of the look-through rules of section 1017(d) and section 1.1502-28T.**Timetable:**

Action	Date	FR Cite
NPRM	03/15/04	69 FR 12091
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-167265-03

Drafting attorney: Candace B. Ewell (202) 622-7530

Reviewing attorney: Marie Milnes-Vasquez (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Candace B. Ewell, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-7530

**Related RIN:** Related to 1545-BC96**RIN:** 1545-BC95**2828. • ELECTRONIC FILING OF DUPLICATE FORMS 5472****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations will provide guidance on how the requirement to file a duplicate Form 5472 with the Internal Revenue Service Center in Philadelphia applies in the context of electronic filing.**Timetable:**

Action	Date	FR Cite
NPRM	02/09/04	69 FR 5940
Hearing	05/27/04	
Final Action	09/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-167217-03

Drafting attorney: Edward R. Barret (202) 435-5265

Reviewing attorney: Elizabeth G. Beck (202) 435-5265

Treasury attorney: Andrew Froberg (202) 622-1779

**Agency Contact:** Edward R. Barret, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5265**Related RIN:** Related to 1545-BD02**RIN:** 1545-BD03**2829. • SOLID WASTE DISPOSAL FACILITIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 142**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will modify the definition of solid waste disposal facility for purposes of section 142(a)(6) of the Internal Revenue Code.

## TREAS—IRS

## Final Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	05/10/04	69 FR 25856
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: Local, State

Additional Information: REG-140492-02

Drafting attorney: Michael P. Brewer (202) 622-3980

Reviewing attorney: Timothy Jones (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-BD04

**2830. • TREATMENT OF FOREIGN STAPLED CORPORATION (TEMPORARY)**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 269B

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This project will provide regulatory guidance to implement Notice 2003-50.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Government Levels Affected: Undetermined

Federalism: Undetermined

Additional Information: REG-101282-04

Drafting attorney: Richard L. Osborne (202) 622-3860

Reviewing attorney: Robert W. Lorence (202) 622-3860

Treasury attorney: Michael Cabellero (202) 622-0851

CC:INTL

**Agency Contact:** Richard L. Osborne, Assistant to Branch Chief, Department of the Treasury, Internal Revenue

Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

RIN: 1545-BD06

**2831. • TRANSITIONAL RULE FOR VESTED ACCRUED VACATION PAY**

Priority: Info./Admin./Other

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This final regulation removes temporary regulation section 1.463-1T providing a transitional time and manner rule for an election under section 463 of the Internal Revenue Code, relating to the accrual of vacation pay for the first taxable year ending after July 18, 1984. Section 463 of the Code was repealed in 1987 and is no longer operative. Therefore, the temporary regulation promulgated thereunder has become obsolete.

**Timetable:**

Action	Date	FR Cite
Final Action	07/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-112293-03

Drafting attorney: Jamie J. Kim (202) 622-4950

Reviewing attorney: Christopher F. Kane (202) 622-4950

CC: ITA

**Agency Contact:** Jamie J. Kim, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4950  
Fax: 2026224579

RIN: 1545-BD12

**2832. • COORDINATION OF UNITED STATES AND CERTAIN POSSESSIONS INCOME TAXES (TEMPORARY)**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1; 26 CFR 301

Legal Deadline: None

**Abstract:** The regulations for section 7654 (1954 Code) will revise existing

regulations for clarification and the regulations for section 7654 (1986) will be new. Internal Revenue Code (IRC) section 7654 contains the provisions for cover-over to the U.S. Possessions. Old section 7654 (1954 Code) continues to be applicable to Guam and the Commonwealth of the Northern Mariana Islands (CNMI) because these two possessions do not have an effective implementing agreement with the United States as required by the Tax Reform Act of 1986. Regulations are necessary for consistent and correct application of section 7654. For example, cover-over for (Armed Forces) residents of the possessions stationed outside the possessions are not specifically addressed in the 1954 Code, and neither is cover-over for Federal employees residing in U.S. Possessions. Temporary Regulations are needed to carry out the provisions of section 7654 and sections 931, 932, and 935.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-139900-03

Drafting attorney: Mae J. Lew (202) 435-5262

Reviewing attorney: Ricardo A. Cadenas (202) 435-5262

Treasury attorney: Carl Dubert (202) 622-1765

CC:INTL

**Agency Contact:** Mae J. Lew, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5262

Related RIN: Related to 1545-BC54

RIN: 1545-BD32

**2833. • GUIDANCE ON PFIC PURGING ELECTIONS (TEMPORARY)**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** These temporary regulations will provide guidance regarding

## TREAS—IRS

## Final Rule Stage

retroactive relief for taxpayers who, in limited circumstances, continue to be subject to the PFIC excess distribution regime of section 1291 although the foreign corporation in which they own stock is no longer treated as a PFIC under section 1298 or section 1297(e).

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-133446-03

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

Treasury attorney: Michael Caballero (202) 622-0851

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-BD33

**2834. • CLARIFICATION OF DEFINITIONS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** These temporary regulations will address the treatment of corporate continuances under section 7701.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	06/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-124872-04

Drafting attorney: Thomas D. Beem (202) 622-3860

Reviewing attorney: Charles P. Besecky (202) 622-3860

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Thomas D. Beem, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3860

**RIN:** 1545-BD43

## Department of the Treasury (TREAS)

## Long-Term Actions

## Internal Revenue Service (IRS)

**2835. 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	FR Cite
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

**2836. 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	FR Cite
NPRM	01/21/86	51 FR 2726
Next Action Undetermined		

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** W. Edward Williams  
Phone: 202 622-3880

**RIN:** 1545-AC10

**2837. 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	FR Cite
NPRM	03/03/87	52 FR 6467
NPRM Comment	05/02/87	
Period End		
Next Action Undetermined		

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Christopher J. Bello

Phone: 202 435-5160

**RIN:** 1545-AI16

**2838. INFORMATION FROM PASSPORT AND IMMIGRATION APPLICANTS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 301

**Timetable:**

Action	Date	FR Cite
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:** Willard W. Yates  
Phone: 202 622-3880

Fax: 202 622-4476

**RIN:** 1545-AJ93

**2839. INCOME OF FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

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## Long-Term Actions

**Timetable:**

Action	Date	FR Cite
NPRM	06/27/88	53 FR 24100
NPRM Comment Period End	08/26/88	

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**2840. CLARIFICATION OF  
TREATMENT OF SEPARATE  
LIMITATION LOSSES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**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**2841. EARNINGS AND PROFITS OF  
CONTROLLED FOREIGN  
CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
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**2842. CARIBBEAN BASIN  
INVESTMENTS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	05/13/91	56 FR 21963
Hearing	07/12/91	56 FR 21963

Next Action Undetermined

**Regulatory Flexibility Analysis  
Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** W. Edward Williams  
Phone: 202 622-3880**RIN:** 1545-AM91**2843. CONSOLIDATED ALTERNATIVE  
MINIMUM TAX****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/30/92	57 FR 62251
NPRM Comment Period End	03/01/93	
Hearing	04/06/93	

Next Action Undetermined

**Regulatory Flexibility Analysis  
Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** Martin Scully  
Phone: 202 622-8066**RIN:** 1545-AN73**2844. CONFORMING TAXABLE YEARS  
OF CFCS AND FPHCS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
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**2845. EARNINGS STRIPPING  
PAYMENTS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	06/18/91	56 FR 27907
Hearing	09/25/91	
Final Action	12/00/05	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Theodore D. Setzer  
Phone: 202 622-3870**RIN:** 1545-AO24**2846. CHARITABLE CONTRIBUTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	03/12/91	56 FR 10395
Hearing	08/01/91	56 FR 23823

Next Action Undetermined

**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**2847. USE OF GAAP EARNINGS AS  
E&P OF FOREIGN CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
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**2848. THE TREATMENT OF  
ACCELERATED DEATH BENEFITS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/15/92	57 FR 59319



## TREAS—IRS

## Long-Term Actions

**Action**                      **Date**                      **FR Cite**

NPRM Comment                      02/26/93  
 Period End  
 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**2849. ALLOCATION OF ACCRUED BENEFITS BETWEEN EMPLOYER AND EMPLOYEE CONTRIBUTIONS****Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1**Timetable:****Action**                      **Date**                      **FR Cite**

NPRM                                      12/22/95                      60 FR 66532  
 NPRM Comment                      03/21/96  
 Period End  
 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**2850. FOREIGN CORPORATIONS REGULATIONS****Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1**Timetable:****Action**                      **Date**                      **FR Cite**

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:** Gregory A. Spring  
 Phone: 202 622-3870**RIN:** 1545-AT96**2851. APPLICATION OF GRANTOR TRUST RULES TO NONEXEMPT EMPLOYEES' TRUST****Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1**Timetable:****Action**                      **Date**                      **FR Cite**

NPRM                                      09/27/96                      61 FR 50778  
 NPRM Comment                      12/26/96  
 Period End  
 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: 202 622-3880

Linda S.F. Marshall  
 Phone: 202 622-6090

James A. Quinn  
 Phone: 202 622-3070

**RIN:** 1545-AU29**2852. RECOMPUTATION OF LIFE INSURANCE RESERVES****Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1**Timetable:****Action**                      **Date**                      **FR Cite**

NPRM                                      01/02/97                      62 FR 71  
 Final Action                              12/00/05

**Regulatory Flexibility Analysis Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Mark S. Smith  
 Phone: 202 622-3970**RIN:** 1545-AU49**2853. SOURCE RULES FOR PAYMENTS MADE PURSUANT TO CERTAIN SWAP ARRANGEMENTS****Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1**Timetable:****Action**                      **Date**                      **FR Cite**

NPRM                                      12/00/05

**Regulatory Flexibility Analysis Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Paul S. Epstein  
 Phone: 202 622-3870**RIN:** 1545-AU89**2854. APPLICATION OF ATTRIBUTION RULES TO FOREIGN TRUSTS****Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1**Timetable:****Action**                      **Date**                      **FR Cite**

NPRM                                      To Be Determined

**Regulatory Flexibility Analysis Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** M. Grace Fleeman  
 Phone: 202 622-3880**RIN:** 1545-AU91**2855. 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**                      **FR Cite**

ANPRM                                      11/04/96                      61 FR 56648  
 ANPRM Comment                      12/31/96  
 Period End  
 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:** John W. Rogers, III  
 Phone: 202 622-3950**RIN:** 1545-AU94**2856. RETURN OF LEVIED PROPERTY IN CERTAIN CASES****Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 301**Timetable:****Action**                      **Date**                      **FR Cite**

NPRM                                      02/14/01                      66 FR 10249  
 Final Action                              12/00/05

**Regulatory Flexibility Analysis Required: No****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Kevin B. Connelly  
 Phone: 202 622-3630**RIN:** 1545-AV01

## TREAS—IRS

## Long-Term Actions

**2857. STOCKS AND SECURITIES SAFE HARBOR EXCEPTION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	06/12/98	63 FR 32164
Hearing	09/09/98	
NPRM Comment	09/10/98	
Period End		
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Theodore D. Setzer  
Phone: 202 622-3870**RIN:** 1545-AW13**2858. SOURCE OF INCOME FROM CERTAIN SPACE AND OCEAN ACTIVITIES AND FOR COMMUNICATIONS INCOME****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
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: 202 435-5265**RIN:** 1545-AW50**2859. CONSTRUCTIVE SALES OF APPRECIATED FINANCIAL POSITIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None**Agency Contact:** Kathleen Sleeth  
Phone: 202 622-3920**RIN:** 1545-AW97**2860. SPECIAL RULES FOR S CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301; 26 CFR 601**Timetable:**

Action	Date	FR Cite
NPRM	04/27/92	57 FR 15272
NPRM Comment	06/26/92	
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**Related RIN:** Split from 1545-AP35,  
Related to 1545-AS88**RIN:** 1545-AY44**2861. PAYMENTS FOR INTEREST IN PARTNERSHIP****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** James M. Gergurich  
Phone: 202 622-3070**RIN:** 1545-AY90**2862. CONSOLIDATED RETURNS; NONAPPLICABILITY OF SECTION 357(C)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	11/14/01	66 FR 57021
Public Hearing	03/21/02	
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Thomas I. Russell  
Phone: 202 622-7550**RIN:** 1545-BA09**2863. NONCOMPENSATORY PARTNERSHIP OPTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	01/22/03	68 FR 2930
Public Hearing	05/20/03	
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Agency Contact:** Demetri G. Yatrakis  
Phone: 202 622-3060

Audrey W. Ellis

Phone: 202 622-3060

**RIN:** 1545-BA53**2864. EARNINGS AND PROFITS ATTRIBUTION PRINCIPLES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Agency Contact:** Mark R. Pollard  
Phone: 202 622-3850**RIN:** 1545-BA93**2865. MIXED USE OUTPUT FACILITIES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
ANPRM	09/23/02	67 FR 59767
Next Action	Undetermined	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** Local, State**Federalism:** Undetermined**Agency Contact:** Rose M. Weber  
Phone: 202 622-3980**RIN:** 1545-BB23

## TREAS—IRS

## Long-Term Actions

**2866. 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**2867. AMENDMENT TO SECTION 6724 RELATING TO FAILURE TO FILE CORRECT INFORMATION RETURNS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	07/09/03	68 FR 40857
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** William M. Kostak  
Phone: 202 622-4910**RIN:** 1545-BB41**2868. SAFE HARBOR LEASING SECOND INTEREST CAPITALIZATION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	07/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Grant D. Anderson  
Phone: 202 622-4930**Related RIN:** Related to 1545-BB63**RIN:** 1545-BB62**2869. SAFE HARBOR LEASING SECOND INTEREST CAPITALIZATION (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
Temporary Regulation	07/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Grant D. Anderson  
Phone: 202 622-4930**Related RIN:** Related to 1545-BB62**RIN:** 1545-BB63**2870. INSTALLMENT OBLIGATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	11/24/03	68 FR 65864
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Agency Contact:** Christopher L. Trump  
Phone: 202 622-3080**RIN:** 1545-BB65**2871. CORPORATE REORGANIZATIONS; CONTINUITY—TRANSFERS OF ASSETS OR STOCK FOLLOWING A REORGANIZATION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	03/02/04	69 FR 9771
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Rebecca O. Burch  
Phone: 202 622-7550**Related RIN:** Related to 1545-BB81**RIN:** 1545-BB80**2872. SUBSTITUTE FOR RETURN (SFR) AND AUTOMATED SUBSTITUTE FOR RETURN (ASFR)****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.**CFR Citation:** 26 CFR 301**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** Undetermined**Agency Contact:** Tracey B. Leibowitz  
Phone: 202 622-4940**Related RIN:** Related to 1545-BC46**RIN:** 1545-BC45**2873. GUARANTEE FEES UNDER SECTION 143(G)****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	11/05/03	68 FR 62549
Final Action	To Be	Determined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local, State**Agency Contact:** Michael P. Brewer  
Phone: 202 622-3980**RIN:** 1545-BC59**2874. • TRANSFERS OF RESTRICTED STOCK****Priority:** Substantive, Nonsignificant**Legal Authority:** 42 USC 83**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** Temporary and cross-referencing proposed regulations addressing the application of section 83 to the transfer of substantially nonvested stock to a related person.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

## TREAS—IRS

## Long-Term Actions

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-127147-04

Drafting attorney: Stephen B. Tackney  
(202) 622-6030Treasury attorney: Dan Hogans (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: 202 622-6030

Related RIN: Related to 1545-BD45

RIN: 1545-BD44

**2875. • TRANSFERS OF RESTRICTED STOCK (TEMPORARY)**

Priority: Substantive, Nonsignificant

Legal Authority: 42 USC 83

CFR Citation: 26 CFR 1

Legal Deadline: None

Abstract: Temporary and cross-referencing proposed regulations addressing the application of section 83 to the transfer of substantially nonvested stock to a related person.

**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/05	

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-127147-04

Drafting attorney: Stephen B. Tackney  
(202) 622-7574Treasury attorney: Dan Hogans (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: 202 622-6030

Related RIN: Related to 1545-BD44

RIN: 1545-BD45

## Department of the Treasury (TREAS)

## Completed Actions

## Internal Revenue Service (IRS)

**2876. QUALIFIED OFFERS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9106	12/29/03	68 FR 74848

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Tami C. Belouin  
Phone: 202 622-3847

RIN: 1545-AW99

Agency Contact: Rose M. Weber

Phone: 202 622-3980

RIN: 1545-AX22

**2878. LIKE-KIND EXCHANGES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
NPRM	03/01/04	69 FR 9560
Hearing	06/03/04	69 FR 9561
Final Action Completed by TD 9115	03/01/04	69 FR 9529

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Charles Magee  
Phone: 202 622-3110

RIN: 1545-AX95

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Bradford R. Poston  
Phone: 202 622-3060

RIN: 1545-AX96

**2880. ELECTING MARK-TO-MARKET FOR MARKETABLE STOCK OF A PFIC**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9123	05/03/04	69 FR 24071

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Federalism: No

Agency Contact: Alexandra K. Helou  
Phone: 202 622-3840

RIN: 1545-AY17

**2877. GUARANTEED INVESTMENT CONTRACTS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9097	12/11/03	68 FR 69020

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: Local,  
State**2879. DEFINITION OF INCOME**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9102	01/02/04	69 FR 12

## TREAS—IRS

## Completed Actions

**2881. ACTIVE CONDUCT OF AN INSURANCE BUSINESS UNDER PFIC RULES**

Priority: Substantive, Nonsignificant.

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action – Closed Without Regulation	04/30/04	

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: Undetermined

Agency Contact: Sheila Ramaswamy  
Phone: 202 622-3870

RIN: 1545–AY20

**2882. ELECTRONIC FURNISHING OF PAYEE STATEMENTS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1; 26 CFR 31

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9114	02/13/04	69 FR 7567

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: State

Agency Contact: Michael E. Hara  
Phone: 202 622-4910

RIN: 1545–AY50

**2883. RESEARCH CREDIT III**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9104	01/02/04	69 FR 22

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Nicole R. Cimino  
Phone: 202 622-3120

RIN: 1545–AY82

**2884. LOW-INCOME TAXPAYER CLINICS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9026	12/18/02	67 FR 77418

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Brinton T. Warren  
Phone: 202 622-4940

Related RIN: Related to 1545–BA95

RIN: 1545–AY84

**2885. DEFINITION OF AGENT AND SAFEGUARD CERTIFICATIONS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 301

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9111	01/06/04	69 FR 506

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: Federal, Local, State

Agency Contact: Helene R. Newsome  
Phone: 202 622-4570

RIN: 1545–AY94

**2886. TAX SHELTER PENALTIES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 301

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9109	12/30/03	68 FR 75126

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Jamie G. Bernstein  
Phone: 202 622-7845

Related RIN: Related to 1545–BB70

RIN: 1545–AY97

**2887. EXPENDITURES IN CONNECTION WITH THE CREATION OF INTANGIBLE ASSETS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9107	01/05/04	69 FR 436

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Andrew J. Keyso  
Phone: 202 622-5020

RIN: 1545–BA00

**2888. ALLOCATION AND APPORTIONMENT OF INTEREST EXPENSE; TAX BOOK VALUE DISPARITIES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
NPRM	03/26/04	69 FR 15754
Hearing	07/19/04	69 FR 15753
Final Action Completed by TD 9120	03/26/04	69 FR 15673

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Margaret A. Hogan  
Phone: 202 622-3850

Related RIN: Related to 1545–BA92

RIN: 1545–BA02

**2889. CONTINUATION OF A CONSOLIDATED GROUP**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Withdrawn	04/23/04	

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Christopher M. Bass

## TREAS—IRS

## Completed Actions

Phone: 202 622-7770

RIN: 1545-BA14

**2890. MODIFICATION OF CHECK THE BOX REGULATIONS (TEMPORARY)**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1; 26 CFR 301

Completed:

Reason	Date	FR Cite
Withdrawn	05/13/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: James M. Gergurich  
Phone: 202 622-3070

RIN: 1545-BA58

**2891. ABATEMENT OF INTEREST ON LARGE ERRONEOUS REFUNDS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Withdrawn	05/13/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: David A. Abernathy  
Phone: 202 622-7940

RIN: 1545-BA61

**2892. CARRYOVER AND STACKING RULE AMENDMENT**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Final Action Completed by TD 9110	01/06/04	69 FR 502

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Christopher J. Wilson  
Phone: 202 622-3040

Lauren R. Taylor

Phone: 202 622-3040

RIN: 1545-BA85

**2893. TAX BOOK VALUE DISPARITIES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Final Action Completed by TD 9120	03/26/04	69 FR 15673

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Margaret A. Hogan  
Phone: 202 622-3850

Related RIN: Related to 1545-BA02

RIN: 1545-BA92

**2894. PREPARER PENALTIES—SIGNATURE REQUIREMENT AND COPIES OF RETURNS**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Final Action Completed by TD 9119	03/24/04	69 FR 15248

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Richard C. Grosenick  
Phone: 202 622-5510Related RIN: Related to 1545-AL49,  
Related to 1545-AT23, Related to  
1545-AW52, Related to 1545-AW83

RIN: 1545-BB34

**2895. HAND CARRYING RETURNS (TEMPORARY)**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Withdrawn	05/11/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Emly B. Berndt

Phone: 202 622-4940

Related RIN: Related to 1545-BB00

RIN: 1545-BB45

**2896. STATUTORY OPTIONS (TEMPORARY)**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Withdrawn	04/22/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Erinn M. Madden  
Phone: 202 622-6030

Related RIN: Related to 1545-BA75

RIN: 1545-BB69

**2897. REAL ESTATE MORTGAGE INVESTMENT CONDUITS (REMICS); APPLICATION OF SECTION 446 WITH RESPECT TO INDUCEMENT FEES**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Public Hearing Cancelled	11/18/03	68 FR 63744
Final Action Completed by TD 9125	05/11/04	69 FR 26040

**Regulatory Flexibility Analysis**

Required: No

Government Levels Affected: None

Agency Contact: John W. Rogers, III  
Phone: 202 622-3950

RIN: 1545-BB73

**2898. CORPORATE REORGANIZATIONS; CONTINUITY—TRANSFERS OF ASSETS OR STOCK FOLLOWING A REORGANIZATION (TEMPORARY)**

Priority: Substantive, Nonsignificant

CFR Citation: 26 CFR 1

Completed:

Reason	Date	FR Cite
Withdrawn	05/03/04	

## TREAS—IRS

## Completed Actions

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Rebecca O. Burch  
Phone: 202 622-7550**Related RIN:** Related to 1545-BB80**RIN:** 1545-BB81**2899. ASSUMPTION OF  
PARTNERSHIP LIABILITIES  
(TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9062	06/24/03	68 FR 37414

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Horace W. Howells  
Phone: 202 622-3050**Related RIN:** Related to 1545-AX93**RIN:** 1545-BB83**2900. DISTRIBUTIONS OF LOSS  
CORPORATION STOCK BY  
QUALIFIED PLANS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9063	09/09/03	68 FR 53219

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Martin T. Huck  
Phone: 202 622-7750**RIN:** 1545-BC00**2901. NEW MARKETS TAX CREDIT  
AMENDMENTS (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9116	03/11/04	69 FR 11507

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Paul F. Handleman  
Phone: 202 622-3040**Related RIN:** Related to 1545-BC03**RIN:** 1545-BC02**2902. CHANGES IN COMPUTING  
DEPRECIATION (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9105	01/02/04	69 FR 5

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Sara L. Logan  
Phone: 202 622-3110**Related RIN:** Related to 1545-BC18**RIN:** 1545-BC17**2903. LIKE-KIND EXCHANGES UNDER  
SECTION 168 (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9115	03/01/04	69 FR 9529

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Charles Magee  
Phone: 202 622-3110**Related RIN:** Related to 1545-AX95**RIN:** 1545-BC27**2904. REMOVAL OF SECTION 6152  
REGULATIONS****Priority:** Substantive, Nonsignificant.**CFR Citation:** 26 CFR 301; 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9096	12/03/03	68 FR 67595

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Janice R. Feldman  
Phone: 202 622-8488**RIN:** 1545-BC53**2905. GUIDANCE NECESSARY TO  
FACILITATE BUSINESS ELECTRONIC  
FILING (TEMPORARY)****Priority:** Substantive, Nonsignificant.**CFR Citation:** 26 CFR 1; 26 CFR 301;  
26 CFR 602**Completed:**

Reason	Date	FR Cite
Temporary Regulation Completed by TD 9100	12/18/03	68 FR 70701

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Nathan B. Rosen  
Phone: 202 622-4910**Related RIN:** Related to 1545-BC15**RIN:** 1545-BC62**2906. PARTNERSHIP TRANSACTIONS  
INVOLVING PARTNER'S STOCK****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Withdrawn	05/13/04	

**Regulatory Flexibility Analysis**

Required: No

**Small Entities Affected:** No**Government Levels Affected:** None

## TREAS—IRS

## Completed Actions

**Agency Contact:** Tara P. Volungis  
Phone: 202 927-3080  
**RIN:** 1545-BC64

**2907. QUALIFIED ZONE ACADEMY BONDS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Withdrawn	05/13/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local, State

**Agency Contact:** Zoran Stojanovic  
Phone: 202 622-4096

**Related RIN:** Related to 1545-BC61**RIN:** 1545-BC68**2908. CONFIDENTIAL TRANSACTIONS**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Withdrawn	12/30/03	

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

**Agency Contact:** Tara P. Volungis  
Phone: 202 927-3080

**RIN:** 1545-BC75**2909. CONFIDENTIAL TRANSACTIONS (TEMPORARY)**

**Priority:** Substantive, Nonsignificant.  
**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9108	12/30/03	68 FR 75128

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

**Agency Contact:** Tara P. Volungis  
Phone: 202 927-3080

**Related RIN:** Related to 1545-BC75**RIN:** 1545-BC76**2910. GUIDANCE UNDER SECTION 1502; APPLICATION OF SECTION 108 TO MEMBERS OF A CONSOLIDATED GROUP (TEMPORARY)**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9098	12/11/03	68 FR 69024

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

**Agency Contact:** Amber R. Cook  
Phone: 202 622-7530

**Related RIN:** Related to 1545-BC38,  
Related to 1545-BC39, Related to  
1545-BC74

**RIN:** 1545-BC77**2911. INFORMATION REPORTING RELATING TO TAXABLE STOCK TRANSACTIONS (TEMPORARY)**

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

**Legal Authority:** 26 USC 6043; 26 USC 6045**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These temporary regulations under sections 6043 and 6045 require information reporting by corporations and brokers with respect to corporate acquisitions of control and substantial changes to capital structure.

**Timetable:**

Action	Date	FR Cite
Temporary Regulations Completed by TD 9101	12/30/03	68 FR 75119

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

**Additional Information:** REG-156232-03  
Drafting attorney: Nancy L. Rose (202)  
622-4910

CC:PA:API

**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,  
Related to 1545-BB60

**RIN:** 1545-BC79**2912. LOSS LIMITATION RULES (TEMPORARY)**

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

**Legal Authority:** 26 USC 1502; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These temporary regulations clarify that a worthless stock deduction in stock of a member of a consolidated group results in the elimination of that member's apportioned losses only if the member has no separate return year. These temporary regulations also clarify that stock of a member of a consolidated group may be treated as worthless, provided it otherwise qualified for such treatment under the Internal Revenue Code, as of immediately before the subsidiary ceases to be a member of the group. This temporary regulation, REG-153172-03, replaces section 1.1502-35T(f) which was published in the Federal Register on March 14, 2003, at 68 FR 12287 (2003-13 I.R.B. 645), including all revisions thereto. See also, the related notice of proposed rulemaking published on March 14, 2003, at 68 FR 12324 (2003-13 I.R.B. 669).

**Timetable:**

Action	Date	FR Cite
Final Action Completed by TD 9118	03/18/04	69 FR 12799

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-153172-03

Drafting attorney: Lola L. Johnson (202)  
622-7550

CC:COR



## TREAS—IRS

## Completed Actions

**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-BB25

**RIN:** 1545-BC84

**2913. • LOW-INCOME HOUSING CREDIT ALLOCATION CERTIFICATION; ELECTRONIC FILING**

**Priority:** Substantive, Nonsignificant.

**Legal Authority:** 26 USC 42; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will remove electronic impediments to the manner of filing the form for claiming the low-income housing credit.

**Timetable:**

Action	Date	FR Cite
Final Action Completed by TD 9112	01/27/04	69 FR 3826

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-164212-03

Drafting attorney: Paul F. Handleman (202) 622-3040

Reviewing attorney: Harold Burghart (202) 622-3040

Treasury attorney: Bruce Serchuk (202) 622-1766

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

**RIN:** 1545-BC90

**2914. • GUIDANCE UNDER SECTION 1502; COMPUTATION OF TAXABLE INCOME WHEN SECTION 108 APPLIES TO A MEMBER OF A CONSOLIDATED GROUP (TEMPORARY)**

**Priority:** Substantive, Nonsignificant.

**Legal Authority:** 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Temporary regulations under sections 1.1502-11 and 1.1502-28T. The regulations provide guidance to prevent circular basis computations resulting from the application of section 108(b) and section 1.1502-28T, and guidance regarding recapture under section 1245 following application of the look-through rules of section 1017(d) and section 1.1502-28T.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation Completed by TD 9117	03/15/04	69 FR 12069

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-167265-03

Drafting attorney: Candace B. Ewell (202) 622-7530

Reviewing attorney: Marie Milnes-Vasquez (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Candace B. Ewell, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**Related RIN:** Related to 1545-BC95

**RIN:** 1545-BC96

**2915. • PAYMENT IN LIEU OF DIVIDENDS**

**Priority:** Substantive, Nonsignificant.

**Legal Authority:** 26 USC 6045

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide that brokers must file information returns and furnish information statements to individuals who receive substitute payments in lieu of dividends on, or after, January 1, 2003.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

Action	Date	FR Cite
Final Action Completed by TD 9103	12/24/03	68 FR 74847

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-166071-03

Drafting attorney: Michael E. Hara (202) 622-4910

Reviewing attorney: Donna Welch (202) 622-4910

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:AP J

**Agency Contact:** Michael E. Hara, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BC97

**2916. • ELECTRONIC FILING OF DUPLICATE FORMS 5472 (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These temporary regulations provide guidance on how the requirement to file a duplicate Form 5472 with the Internal Revenue Service Center in Philadelphia, PA applies in the context of electronic filing.

**Timetable:**

Action	Date	FR Cite
Final Action Completed by TD 9113	02/09/04	69 FR 5931

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

## TREAS—IRS

## Completed Actions

**Additional Information:** REG-167217-03

Drafting attorney: Edward R. Barrett  
(202) 435-5265

Reviewing attorney: Elizabeth G. Beck  
(202) 435-5265

Treasury attorney: Andrew Froberg  
(202) 622-1779

CC:INTL

**Agency Contact:** Edward R. Barret,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 435-5265

**Related RIN:** Related to 1545-BD0

**RIN:** 1545-BD02

**2917. • PARTNER'S DISTRIBUTIVE  
SHARE: FOREIGN TAX  
EXPENDITURES (TEMPORARY)**

**Priority:** Substantive, Nonsignificant.

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides  
guidance in the proper allocation of  
foreign tax expenditures under section  
704(b).

**Timetable:**

Action	Date	FR Cite
Final Action Completed by TD 9121	04/21/04	69 FR 21405

**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  
(202) 622-3050

Treasury attorney: Deborah Harrington  
(202) 622-1788

CC:PSI

**Agency Contact:** Beverly M. Katz,  
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-BB11

**RIN:** 1545-BD11

BILLING CODE 6720-01-S

## Department of the Treasury (TREAS)

## Proposed Rule Stage

## Office of Thrift Supervision (OTS)

**2918. RISK-BASED CAPITAL  
GUIDELINES; IMPLEMENTATION OF  
NEW BASEL CAPITAL ACCORD**

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

**Unfunded Mandates:** Undetermined

**Legal Authority:** 12 USC 1462; 12 USC  
1462a; 12 USC 1463; 12 USC 1464; 12  
USC 1467a; 12 USC 1828 (note)

**CFR Citation:** 12 CFR 567

**Legal Deadline:** None

**Abstract:** The Office of the Comptroller  
of the Currency, the Board of Governors  
of the Federal Reserve System, the  
Federal Deposit Insurance Corporation,  
and the Office of Thrift Supervision are  
setting forth for industry comment their  
current views on a proposed framework  
for implementing the New Basel Capital  
Accord in the United States. In  
particular, this advance notice of  
proposed rulemaking (ANPRM)  
describes significant elements of the  
Advanced Internal Ratings-Based

approach for credit risk and the  
Advanced Measurement Approaches for  
operational risk (together, the advanced  
approaches). The ANPRM specifies  
criteria that would be used to  
determine banking organizations that  
would be required to use the advanced  
approaches, subject to meeting certain  
qualifying criteria, supervisory  
standards, and disclosure requirements.  
Other banking organizations that meet  
the criteria, standards, and  
requirements also would be eligible to  
use the advanced approaches. Under  
the advanced approaches, banking  
organizations would use internal  
estimates of certain risk components as  
key inputs in the determination of their  
regulatory capital requirements.

**Timetable:**

Action	Date	FR Cite
ANPRM	08/04/03	68 FR 45900
ANPRM Comment Period End	11/03/03	
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** 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

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

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

**Related RIN:** Related to 1550-AB11

**RIN:** 1550-AB56

**Department of the Treasury (TREAS)**  
**Office of Thrift Supervision (OTS)**

Final Rule Stage

**2919. COMMUNITY REINVESTMENT ACT****Priority:** Substantive, Nonsignificant**Legal Authority:** Not Yet Determined**CFR Citation:** None**Legal Deadline:** None

**Abstract:** The OCC, Board, FDIC, and OTS did a review of the agencies' Community Reinvestment Act (CRA) regulations. The agencies issued a joint advance notice of proposed rulemaking (ANPRM) seeking public comment on a wide range of questions as part of the review.

The agencies issued a joint notice of proposed rulemaking, following their review of the CRA regulations which included an analysis of about 400 comments received on the ANPRM. The comments reflected a general consensus that fundamental elements of the regulations are sound, but indicated a profound split over the need for, and appropriate direction of, change. In an effort to keep pace with changes in the financial services industry, the agencies proposed changes to the CRA in two areas: 1) to reduce burden, it would raise the asset threshold for being a "small institution" from \$250 million to \$500 million and drop the holding company test; and 2) to address abusive lending practices, it would provide for taking into account in assessing an institution's CRA performance, evidence that the institution (or any of the institution's affiliates the loans of which are considered) has engaged in specified discriminatory, illegal, or abusive credit practices in connection with certain loans.

**Timetable:**

Action	Date	FR Cite
Joint ANPRM	07/19/01	66 FR 37602
Joint ANPRM Comment Period End	10/17/01	
NPRM	02/06/04	69 FR 5729
NPRM Comment Period End	04/06/04	
Final Rule	08/00/04	

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

**Agency Contact:** Richard Bennett, Counsel (Banking and Finance), Regulations and Legislation Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552

Phone: 202 906-7409

Theresa A. Stark, Project Manager, Compliance Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7054

Celeste Anderson, Program Analyst, Compliance Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7990  
**RIN:** 1550-AB48

**2920. RISK-BASED CAPITAL GUIDELINES; CAPITAL GUIDELINES; CAPITAL MAINTENANCE: INTERIM CAPITAL TREATMENT OF CONSOLIDATED ASSET-BACKED COMMERCIAL PAPER PROGRAM ASSETS**

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

**Legal Authority:** 12 USC 1462; 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1828 (note)

**CFR Citation:** 12 CFR 567**Legal Deadline:** None

**Abstract:** The Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of Thrift Supervision are amending their risk-based capital standards by providing an interim capital treatment for assets in asset-backed commercial paper (ABCP) programs that are consolidated onto the balance sheets of sponsoring banking organizations as a result of a recently issued accounting interpretation, FIN 46. The interim capital treatment allows sponsoring banking organizations to remove the consolidated ABCP program assets from their risk-weighted asset bases for the purpose of calculating their risk-based capital ratios. In addition, any minority interests in ABCP programs that are consolidated as a result of FIN 46 are to be excluded from sponsoring banking organizations' minority interest component of tier 1 capital and, thereby, from total risk-based capital.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	10/01/03	68 FR 56530

Action	Date	FR Cite
Interim Final Rule Effective	10/01/03	
Interim Final Rule Comment Period End	11/17/03	
Applicability Date Extended	04/26/04	69 FR 22382
Final Rule	07/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined

**Agency Contact:** Christine Smith, Project Manager for Supervision Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-5740

Karen Osterloh, Special Counsel, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6639

**RIN:** 1550-AB79**2921. PROPER DISPOSAL OF CONSUMER INFORMATION UNDER THE FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681s; 15 USC 1681w**CFR Citation:** 12 CFR 568; 12 CFR 570; 12 CFR 571**Legal Deadline:** Final, Statutory, December 4, 2004.

In accordance with section 216(a) of the Fair and Accurate Credit Transactions Act of 2003 (15 U.S.C. 1681w(a)(1)), the Federal banking agencies, NCUA, FTC, and SEC must each issue regulations requiring proper disposal of information derived from consumer reports, after consulting and coordinating with each other to promote consistency. The agencies must assure that the regs. are consistent with the Gramm-Leach-Bliley Act and other Federal law. Final regs. must be issued by December 4, 2004.

**Abstract:** The Office of the Comptroller of the Currency, Office of Thrift Supervision, Federal Reserve Board, and Federal Deposit Insurance Corporation are requesting comment on a proposal to implement section 216 of the Fair and Accurate Credit

## TREAS—OTS

## Final Rule Stage

Transactions Act of 2003 by amending the Interagency Guidelines Establishing Standards for Safeguarding Customer Information. The proposal would require each financial institution to develop, implement, and maintain appropriate measures to properly dispose of consumer information derived from consumer reports to address the risks associated with identity theft. Each institution would be required to implement these measures as part of its information security program.

**Timetable:**

Action	Date	FR Cite
NPRM	06/08/04	69 FR 31913
Final Rule	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lewis C. Angel, Senior Project Manager, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-5645

Richard Bennett, Counsel (Banking and Finance), Regulations and Legislation Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7409

Paul Robin, Special Counsel, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6648

**RIN:** 1550-AB87

**2922. • FAIR CREDIT REPORTING MEDICAL INFORMATION REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 1681s; 15 USC 1681w

**CFR Citation:** 12 CFR 571

**Legal Deadline:** Final, Statutory, June 4, 2004.

Creditors may not use a consumer's medical information to make credit determinations, except in accordance with the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). In accordance with section 411 of the FACT Act (15 U.S.C. 1681b(g)(5)(A) and (g)(5)(B)), the Federal banking agencies and the NCUA must, after notice and comment, issue regulations on necessary and appropriate access by creditors to medical information. Final regulations must be issued by June 4, 2004.

**Abstract:** The Office of the Comptroller of the Currency, Federal Reserve Board, Federal Deposit Insurance Corporation, Office of Thrift Supervision, and National Credit Union Administration are publishing for comment proposed regulations implementing section 411 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). The FACT Act substantially amends the Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681 et seq. Section 411(a) of the FACT Act adds a new section 603(g)(1) to the FCRA to prohibit creditors from obtaining or using medical information pertaining to a consumer in connection with any determination of the consumer's

eligibility, or continued eligibility, for credit.

In addition, section 411(b) of the FACT Act adds a new section 603(d)(3) to the FCRA to restrict the sharing of medical information and related lists or descriptions with affiliates.

**Timetable:**

Action	Date	FR Cite
NPRM	04/28/04	69 FR 23380
NPRM Comment Period End	05/28/04	
Final Rule	07/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Cindy Baltierra, Program Analyst, Compliance Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6540

Richard Bennett, Counsel (Banking and Finance), Regulations and Legislation Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7409

Paul Robin, Special Counsel, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6648

**RIN:** 1550-AB88

**Department of the Treasury (TREAS)  
Office of Thrift Supervision (OTS)**
**Long-Term Actions**
**2923. FAIR CREDIT REPORTING**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 571

**Timetable:**

Action	Date	FR Cite
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

**2924. • INTERAGENCY PROPOSAL TO CONSIDER ALTERNATIVE FORMS OF PRIVACY NOTICES UNDER THE GRAMM-LEACH-BLILEY ACT**

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

**Unfunded Mandates:** Undetermined

**Legal Authority:** Not Yet Determined

**CFR Citation:** None

**Legal Deadline:** None

**Abstract:** The Office of the Comptroller of the Currency, Office of Thrift

## TREAS—OTS

## Long-Term Actions

Supervision, Federal Reserve Board, Federal Deposit Insurance Corporation, National Credit Union Administration, Federal Trade Commission, Commodity Futures Trading Commission, and Securities and Exchange Commission (the Agencies) are requesting comment on whether the Agencies should consider amending the regulations that implement sections 502 and 503 of the Gramm-Leach-Bliley Act to allow or require financial institutions to provide alternative types of privacy notices,

such as a short privacy notice, that would be easier for consumers to understand.

**Timetable:**

Action	Date	FR Cite
ANPRM	12/30/03	68 FR 75164
ANPRM Comment	03/29/04	
Period End		
Next Action	Undetermined	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Agency Contact:** Cindy Baltierra, Program Analyst, Compliance Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6540

**RIN:** 1550-AB86

**Department of the Treasury (TREAS)**  
**Office of Thrift Supervision (OTS)**

## Completed Actions

**2925. RISK-BASED CAPITAL GUIDELINES; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE: ASSET-BACKED COMMERCIAL PAPER PROGRAMS AND EARLY AMORTIZATION PROVISIONS**

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

**CFR Citation:** 12 CFR 567

**Completed:**

Reason	Date	FR Cite
NPRM	10/01/03	68 FR 56568
Merged With	06/09/04	
1550-AB79		

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Agency Contact:** Christine Smith  
Phone: 202 906-5740

Karen Osterloh  
Phone: 202 906-6639

**Related RIN:** Related to 1550-AB79

**RIN:** 1550-AB81

**2926. • ASSESSMENTS AND FEES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1462a; 12 USC1463; 12 USC1467; 12 USC 1467(a)

**CFR Citation:** 12 CFR 502

**Legal Deadline:** None

**Abstract:** The Office of Thrift Supervision (OTS) is proposing to amend its rules on assessments and fees. The proposed rule would replace examination fees for savings and loan holding companies (SLHCs) with semiannual assessments on top-tier SLHCs. OTS would charge a base assessment amount on all top-tier SLHCs, and would add up to three additional components to this base amount.

OTS also proposes to amend the existing rules governing the calculation of savings association semiannual assessments. Specifically, OTS proposes to eliminate the alternative calculation for the asset size component currently available to small "qualifying savings associations."

**Timetable:**

Action	Date	FR Cite
NPRM	02/10/04	69 FR 6201
NPRM Comment	03/26/04	
Period End		
Final Rule	05/28/04	69 FR 30554
Final Rule Effective	07/01/04	

**Regulatory Flexibility Analysis Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Linda Duzick, Financial Analyst, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6639

Karen Osterloh, Special Counsel, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6639

**RIN:** 1550-AB89

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