

# Proposed Rules

Federal Register

Vol. 72, No. 68

Tuesday, April 10, 2007

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Animal and Plant Health Inspection Service

#### 9 CFR Part 1

[Docket No. APHIS–2006–0158]

#### Animal Welfare; Petition for Rulemaking

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Notice of petition and request for comments.

**SUMMARY:** We are notifying the public of our receipt of a petition for rulemaking, and we are soliciting public comment on that petition. The petition, sponsored by The Hunte Corporation, requests that we replace the definition of Class “B” licensee in the Animal Welfare Act regulations with four new categories of licensees: Pet distributor, exhibitor animal distributor, laboratory animal distributor, and other distributor.

**DATES:** We will consider all comments that we receive on or before June 11, 2007.

**ADDRESSES:** You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>, select “Animal and Plant Health Inspection Service” from the agency drop-down menu, then click “Submit.” In the Docket ID column, select APHIS–2006–0158 to submit or view public comments and to view supporting and related materials available electronically. Information on using Regulations.gov, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site’s “User Tips” link.

- *Postal Mail/Commercial Delivery:* Please send four copies of your comment (an original and three copies) to Docket No. APHIS–2006–0158, Regulatory Analysis and Development, PPD, APHIS, Station 3A–03.8, 4700

River Road Unit 118, Riverdale, MD 20737–1238. Please state that your comment refers to Docket No. APHIS–2006–0158.

*Reading Room:* You may read any comments that we receive on this docket in our reading room. The reading room is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue, SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 690–2817 before coming.

*Other Information:* Additional information about APHIS and its programs is available on the Internet at <http://www.aphis.usda.gov>.

**FOR FURTHER INFORMATION CONTACT:** Dr. Jerry DePoyster, Senior Veterinary Medical Officer, Animal Care, APHIS, 4700 River Road Unit 84, Riverdale, MD 20737–1234; (301) 734–7586.

#### SUPPLEMENTARY INFORMATION:

##### Background

The Animal Welfare Act (the Act, 7 U.S.C. 2131 *et seq.*) authorizes the Secretary of Agriculture to promulgate standards and other requirements governing the humane handling, care, treatment, and transportation of certain animals by dealers, research facilities, exhibitors, carriers, and intermediate handlers. The Secretary of Agriculture has delegated the responsibility of administering the Act to the Administrator of the Animal and Plant Health Inspection Service (APHIS). The regulations established under the Act are contained in title 9 of the Code of Federal Regulations (9 CFR), chapter I, subchapter A, parts 1, 2, and 3. Part 1 defines various terms used in parts 2 and 3.

In part 1, § 1.1 sets forth definitions for three classes of licensees: Class “A,” Class “B,” and Class “C.” Class “A” licensees are dealers whose business consists only of animals that are bred and raised on the premises and acquired for the sole purpose of maintaining or enhancing the breeding colony. Class “B” licensees are dealers whose business includes the purchase or resale of any animal. Class “B” licensees do not usually take actual physical possession or control of the animals or hold them in any facilities. Class “C” licensees are exhibitors whose business

involves the showing or displaying of animals to the public. Class “C” licensees may buy and sell animals as a minor part of their business to maintain or add to their animal collection.

APHIS has received a petition for rulemaking sponsored by The Hunte Corporation, a Class “B” licensee, requesting changes to the definition of Class “B” licensee contained in § 1.1 of the regulations. Specifically, the petition requests that we replace the definition of Class “B” licensee with four new categories of dealers: Pet distributor, exhibitor animal distributor, laboratory animal distributor, and other distributor.

The petition is available for review on the Regulations.gov Web page and in our reading room (see **ADDRESSES** above for instructions for accessing Regulations.gov and for information on the location and hours of the reading room). Copies may also be obtained from the person listed under **FOR FURTHER INFORMATION CONTACT**. We invite comments on the changes discussed in the petition.

**Authority:** 7 U.S.C. 2131–2159; 7 CFR 2.22, 2.80, and 371.7.

Done in Washington, DC, this 4th day of April 2007.

**Kevin Shea,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. E7–6701 Filed 4–9–07; 8:45 am]

**BILLING CODE 3410–34–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG–156420–06]

RIN 1545–BG25

#### Anti-Avoidance and Anti-Loss Reimportation Rules Applicable Following a Loss on Disposition of Stock of Consolidated Subsidiaries

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice of proposed rulemaking by cross-reference to temporary regulations.

**SUMMARY:** In the Rules and Regulations section of this issue of the **Federal**

**Register**, the IRS is issuing temporary regulations under section 1502 of the Internal Revenue Code (Code). The temporary regulations provide guidance to corporations filing consolidated returns. The temporary regulations apply an anti-avoidance rule and revise an anti-loss reimportation rule that applies after a disposition of stock of a subsidiary at a loss. The text of those regulations also serves as the text of these proposed regulations.

**DATES:** Written or electronic comments or a request for a public hearing must be received by July 9, 2007.

**ADDRESSES:** Send submissions to CC:PA:LPD:PR (REG-156420-06), room 5203 Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-156420-06), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (IRS-REG-156420-06).

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Theresa Abell (202) 622-7700 or Phoebe Bennett (202) 622-7770; concerning submission of comments and request for public hearing, Richard Hurst at [Richard.A.Hurst@irs.counsel.treas.gov](mailto:Richard.A.Hurst@irs.counsel.treas.gov) or (202) 622-7180 (not toll free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background and Explanation of Provisions**

Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** amend the Income Tax Regulations (26 CFR part 1) relating to section 1502. The temporary regulations provide guidance to corporations filing consolidated returns. The temporary regulations apply an anti-avoidance rule and revise an anti-loss reimportation rule that applies following a disposition of stock of a subsidiary at a loss. The text of those regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the amendments.

**Special Analyses**

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined

in Executive Order 12666. Therefore, a regulatory assessment is not required. It is hereby certified that these regulations will not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that these regulations primarily will affect affiliated groups of corporations that have elected to file consolidated returns, which tend to be larger entities. Therefore, a Regulatory Flexibility Analysis under Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required. Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

**Comments and Requests for Public Hearing**

Before these proposed regulations are adopted as final regulations, consideration will be given to any written (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. The IRS and Treasury Department request comments on the clarity of the proposed rules and how they can be made easier to understand. All comments will be available for public inspection and copying. A public hearing will be scheduled if requested in writing by any person that timely submits written comments. If a public hearing is scheduled, notice of the date, time, and place for the public hearing will be published in the **Federal Register**.

**Drafting Information**

The principal author of these regulations is Phoebe Bennett, Office of the Associate Chief Counsel (Corporate). However, other personnel from the IRS and Treasury Department participated in their development.

**List of Subjects in 26 CFR Part 1**

Income taxes, Reporting and recordkeeping requirements.

**Proposed Amendments to the Regulations**

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

**PART 1—INCOME TAXES**

**Paragraph 1.** The authority citation for part 1 is amended by adding an entry in numerical order to read as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*

**Par. 2.** Section 1.1502-32 is amended by revising paragraph (b)(3)(iii)(D) and adding paragraph (k) to read as follows:

**§ 1.1502-32 Investment adjustments.**

\* \* \* \* \*

(b) \* \* \*

(3) \* \* \*

(iii) \* \* \*

(D) [The text of the proposed amendment to § 1.1502-32(b)(3)(iii)(D) is the same as the text of § 1.1502-32T(b)(3)(iii)(D) published elsewhere in this issue of the **Federal Register**].

\* \* \* \* \*

(k) [The text of the proposed amendment to § 1.1502-32(k) is the same as the text of § 1.1502-32T(k) published elsewhere in this issue of the **Federal Register**].

**Par. 3.** Section 1.1502-35 is amended by:

1. Revising paragraphs (g)(3) and (h).
2. Adding new paragraph (g)(6).
3. Revising paragraph (j).

The revisions and additions read as follows:

**§ 1.1502-35 Transfers of subsidiary stock and consolidations of subsidiaries.**

\* \* \* \* \*

(g) \* \* \*

(3) [The text of the proposed amendment to § 1.1502-35(g)(3) is the same as the text of § 1.1502-35T(g)(3) published elsewhere in this issue of the **Federal Register**].

\* \* \* \* \*

(6) [The text of the proposed amendment to § 1.1502-35(g)(6) is the same as the text of § 1.1502-35T(g)(6) published elsewhere in this issue of the **Federal Register**].

(h) [The text of the proposed amendment to § 1.1502-35(h) is the same as the text of § 1.1502-35T(h) published elsewhere in this issue of the **Federal Register**].

\* \* \* \* \*

(j) [The text of the proposed amendment to § 1.1502-35(j) is the same as the text of § 1.1502-35T(j) published elsewhere in this issue of the **Federal Register**].

\* \* \* \* \*

**Linda M. Kroening,**

*Acting Deputy Commissioner for Services and Enforcement.*

[FR Doc. E7-6534 Filed 4-9-07; 8:45 am]

**BILLING CODE 4830-01-P**