

unable to submit any filings during that time). * * *

Execution

* * * I understand that if any information contained in items 1D or 1E of this Form ADV-W is different from the information contained on Form ADV, the information on this Form ADV-W will replace the corresponding entry on the adviser's Form ADV composite available through IARD.

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■ 9. Form ADV-H (referenced in § 279.3) is amended by revising the phrase "Item 12 of Form ADV" in the third and fourth unnumbered paragraphs in Item 1B. to read "Item 12 of Part 1A of Form ADV".

Note: Form ADV-H does not and this amendment will not appear in the Code of Federal Regulations.

Dated: July 11, 2003.

By the Commission.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-18122 Filed 7-16-03; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 510 and 524

New Animal Drugs; Change of Sponsor; Correction

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule; correction.

SUMMARY: The Food and Drug Administration (FDA) is correcting a final rule that appeared in the **Federal Register** of June 4, 2003 (68 FR 33381). The document amended the animal drug regulations to reflect a change of sponsor for an approved new animal drug application (NADA) from Combe, Inc., to Farnam Companies, Inc. The document was published with some errors. This document corrects those errors.

FOR FURTHER INFORMATION CONTACT: Joyce A. Strong, Office of Policy (HF-27), Food and Drug Administration, 5600 Fishers Lane, Rockville MD 20857, 301-827-7010.

SUPPLEMENTARY INFORMATION: In FR Doc. 03-14107, appearing on page 33381 in the **Federal Register** of June 4, 2003, the following corrections are made:

■ 1. On page 33381, in the first column, in the "SUMMARY", the word "Farnham" is corrected to read "Farnam".

■ 2. On page 33381, in the second column, in the sixth line from the bottom, "\$ 524.1580b [Amended]" is corrected to read "\$ 524.1376 [Amended]".

Dated: July 7, 2003.

Stephen F. Sundlof,

Director, Center for Veterinary Medicine.

[FR Doc. 03-18086 Filed 7-16-03; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 522

Implantation or Injectable Dosage Form New Animal Drugs; Trenbolone and Estradiol

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to reflect approval of a supplemental abbreviated new animal drug application (ANADA) filed by Ivy Laboratories, Division of Ivy Animal Health, Inc. The supplemental ANADA provides for the addition of tylosin tartrate to an approved subcutaneous implant containing trenbolone and estradiol used for increased rate of weight gain and improved feed efficiency in feedlot heifers.

DATES: This rule is effective July 17, 2003.

FOR FURTHER INFORMATION CONTACT: Eric S. Dubbin, Center for Veterinary Medicine (HFV-126), Food and Drug Administration, 7500 Standish Pl., Rockville, MD 20855; 301-827-0232; edubbin@cvm.fda.gov.

SUPPLEMENTARY INFORMATION: Ivy Laboratories, Division of Ivy Animal Health, Inc., 8857 Bond St., Overland Park, KS 66214, filed a supplement to ANADA 200-346 for COMPONENT TE-H (trenbolone acetate and estradiol), a subcutaneous implant used for increased rate of weight gain and improved feed efficiency in heifers fed in confinement for slaughter. The supplemental ANADA provides for the addition of a pellet containing 29 milligrams tylosin tartrate to the approved implant. The supplemental application is approved as of April 18, 2003, and the regulations are amended

in 21 CFR 522.2477 to reflect the approval. The basis of approval is discussed in the freedom of information summary.

In accordance with the freedom of information provisions of 21 CFR part 20 and 21 CFR 514.11(e)(2)(ii), a summary of safety and effectiveness data and information submitted to support approval of this application may be seen in the Dockets Management Branch (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852, between 9 a.m. and 4 p.m., Monday through Friday.

Under section 512(c)(2)(F)(iii) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 360b(c)(2)(F)(iii)), this approval qualifies for 3 years of marketing exclusivity beginning April 18, 2003.

The agency has determined under 21 CFR 25.33(a)(1) that this action is of a type that does not individually or cumulatively have a significant effect on the human environment. Therefore, neither an environmental assessment nor an environmental impact statement is required.

This rule does not meet the definition of "rule" in 5 U.S.C. 804(3)(A) because it is a rule of "particular applicability." Therefore, it is not subject to the congressional review requirements in 5 U.S.C. 801-808.

List of Subjects in 21 CFR Part 522

Animal drugs.

■ Therefore, under the Federal Food, Drug, and Cosmetic Act and under the authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, 21 CFR part 522 is amended as follows:

PART 522—IMPLANTATION OR INJECTABLE DOSAGE FORM NEW ANIMAL DRUGS

■ 1. The authority citation for 21 CFR part 522 continues to read as follows:

Authority: 21 U.S.C. 360b.

■ 2. Section 522.2477 is amended in paragraph (b)(1) by adding "(d)(2)(i)(B)," after "(d)(2)(i)(A),"; in paragraph (b)(2) by removing "(d)(2)" and by adding in its place "(d)(2)(i)(A), (d)(2)(i)(C), (d)(2)(i)(D), (d)(2)(ii), (d)(2)(iii)"; in paragraph (d)(2)(i)(A) by removing "paragraphs (d)(2)(ii)(A) and (d)(2)(ii)(B)" and by adding in its place "paragraph (d)(2)(ii)(A)"; by redesignating paragraphs (d)(2)(i)(B) and (d)(2)(i)(C) as paragraphs (d)(2)(i)(C) and (d)(2)(i)(D); and by adding new paragraph (d)(2)(i)(B) to read as follows:

§ 522.2477 Trenbolone acetate and estradiol.

* * * * *

(d) * * *

(2) * * *

(i) * * *

(B) 140 mg trenbolone acetate and 14 mg estradiol (one implant consisting of 8 pellets, each of 7 pellets containing 20 mg trenbolone acetate and 2 mg estradiol, and 1 pellet containing 29 mg tylosin tartrate) per implant dose for use as in paragraphs (d)(2)(i)(A) of this section.

* * * * *

Dated: July 8, 2003.

Stephen F. Sundlof,*Director, Center for Veterinary Medicine.*

[FR Doc. 03-18088 Filed 7-16-03; 8:45 am]

BILLING CODE 4160-01-S

DEPARTMENT OF THE TREASURY**Internal Revenue Service****26 CFR Part 1**

[TD 9078]

RIN 1545-AY76

Qualified Subchapter S Trust Election for Testamentary Trusts**AGENCY:** Internal Revenue Service (IRS), Treasury.**ACTION:** Final regulations.

SUMMARY: This document contains final regulations relating to a qualified subchapter S trust election for testamentary trusts under section 1361 of the Internal Revenue Code. The Small Business Job Protection Act of 1996 and the Taxpayer Relief Act of 1997 made changes to the applicable law. The final regulations affect S corporations and their shareholders.

DATES: *Effective Date:* These regulations are effective July 17, 2003.

Applicability Date: For dates of applicability of these regulations, see § 1.1361-1(k)(2)(i) and (ii).

FOR FURTHER INFORMATION CONTACT: Concerning the final regulations, Deane M. Burke, (202) 622-3070 (not a toll-free number).

SUPPLEMENTARY INFORMATION:**Background**

This document amends section 1361 of the Income Tax Regulations (26 CFR part 1) regarding a qualified subchapter S trust (QSST) election for testamentary trusts and the definition of testamentary trusts.

On August 24, 2001, a notice of proposed rulemaking (REG-106431-01,

2001-2 C.B. 272) relating to QSST elections for testamentary trusts and the period for which former qualified subpart E trusts and testamentary trusts may be permitted shareholders under section 1361 was published in the **Federal Register** (66 FR 44565). No public hearing was requested. Comments responding to the proposed regulations were received. After consideration of the comments, the proposed regulations are adopted as revised by this Treasury decision.

Section 1361(a) defines an S corporation as a small business corporation for which an election under section 1362(a) is in effect for the year. Section 1361(b) provides, in part, that a small business corporation is a domestic corporation that is not an ineligible corporation and that does not have as a shareholder a person (other than an estate, a trust described in section 1361(c)(2), or an organization described in section 1361(c)(6)) who is not an individual. Under section 1361(c)(2), qualified subpart E trusts and testamentary trusts are permitted S corporation shareholders. A qualified subpart E trust is a trust, all of which is treated (under subpart E of part I of subchapter J, chapter 1) as owned by an individual who is a citizen or resident of the United States. A qualified subpart E trust that continues in existence after the death of the deemed owner (former qualified subpart E trust) is a permitted shareholder, but only for the 2-year period beginning on the day of the deemed owner's death. A testamentary trust is a trust to which S corporation stock is transferred pursuant to the terms of a will, but only for the 2-year period beginning on the day the stock is transferred to the trust.

Summary of Comments and Explanation of Provisions

These final regulations are substantially the same as the proposed regulations, but reflect certain revisions based on the comments that were received. The revisions are discussed below.

The proposed regulations provide that a former qualified subpart E trust is a permitted shareholder of an S corporation for the 2-year period beginning on the day of the deemed owner's death. In addition, the proposed regulations provide that a testamentary trust is also a permitted shareholder of an S corporation for the 2-year period beginning on the day the stock is transferred to the testamentary trust. If a former qualified subpart E trust or a testamentary trust continues to own stock after the expiration of the 2-year period during which it is a permitted

shareholder, the corporation's S election will terminate unless the trust otherwise qualifies as a permitted shareholder. The trust might otherwise qualify as a permitted shareholder if, for example, the trust is a QSST that has an election under section 1361(d)(2) in effect at the end of the 2-year period (an electing QSST).

One commentator suggested that certain sections of the proposed regulations should be clarified because those sections indicate that if a former qualified subpart E trust or a testamentary trust continues to own stock of an S corporation after the 2-year period and is not otherwise a qualified subpart E trust or an electing QSST, the trust is not a permitted shareholder. The commentator noted that a former qualified subpart E trust or a testamentary trust that continues to own stock after the 2-year period could also be a permitted shareholder if the trust is an electing small business trust (ESBT) at the end of the 2-year period. The sections of the proposed regulations for which the commentator suggested clarification, however, address rules regarding QSSTs. Section 1.1361-1(m) of the Income Tax Regulations addresses rules regarding ESBTs. The final regulations clarify that if a former qualified subpart E trust or a testamentary trust continues to own stock of an S corporation after the 2-year period and is not otherwise a qualified subpart E trust, an electing QSST, or an ESBT, the trust is not a permitted shareholder. Additionally, the final regulations clarify that a QSST or an ESBT election may be made for a former qualified subpart E trust or a testamentary trust that qualifies as a QSST or an ESBT.

Another commentator suggested that after August 5, 1997, the effective date of section 645, a testamentary trust should also include a trust that receives S corporation stock from a qualified revocable trust (QRT) for which an election under section 645 has been made (an electing trust). Under section 645, an electing trust is treated and taxed as part of the decedent's estate (and not as a separate trust) for purposes of subtitle A of the Code for all taxable years of the estate during the section 645 election period. The section 645 election period begins on the date of the decedent's death and generally terminates on the day before the applicable date described in section 645(b)(2). Section 1.645-1(h)(1) provides that on the close of the last day of the election period the share comprising the electing trust is deemed to be distributed to a new trust.