

all provisions in §§ 1.181–1T through 1.181–5T to the productions.

(c) *Special rules for returns filed for prior taxable years.* If before March 12, 2007, an owner of a film or television production began principal photography (or “in-between” animation) for the production after October 22, 2004, and filed its original Federal income tax return for the year such costs were first paid or incurred without making an election under section 181 for the costs of the production, and if the taxpayer wants to make an election under section 181 for such taxable year, see § 1.181–2T(e) for the time and manner of making the election.

PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

■ **Par. 3.** The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

■ **Par. 4.** In § 602.101, paragraph (b) is amended by adding the following entry in numerical order to the table to read as follows:

§ 602.101 OMB Control numbers.

* * * * *
(b) * * *

CFR part or section where identified and described	Current OMB control No.
* * * * *	* * * * *
1.181–1T and 1.181–2T	1545–2059
* * * * *	* * * * *

Kevin M. Brown,

Deputy Commissioner for Services and Enforcement.

Approved: February 1, 2007.

Eric Solomon,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. E7–2154 Filed 2–8–07; 8:45 am]

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DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[T.D. TTB–58; Re: Notice No. 59]

RIN 1513–AB13

Establishment of the Outer Coastal Plain Viticultural Area (2003R–166P)

AGENCY: Alcohol and Tobacco Tax and Trade Bureau (TTB), Treasury.

ACTION: Final rule; Treasury decision.

SUMMARY: This Treasury decision establishes the Outer Coastal Plain viticultural area in southeastern New Jersey. The viticultural area consists of approximately 2,255,400 acres and includes all of Cumberland, Cape May, Atlantic, and Ocean Counties and portions of Salem, Gloucester, Camden, Burlington, and Monmouth Counties. We designate viticultural areas to allow bottlers to better describe the origin of their wines and to allow consumers to better identify the wines they may purchase.

DATES: *Effective Date:* March 12, 2007.

FOR FURTHER INFORMATION CONTACT: Jennifer Berry, Alcohol and Tobacco Tax and Trade Bureau, Regulations and Rulings Division, P.O. Box 18152, Roanoke, VA 24014; telephone 540–344–9333.

SUPPLEMENTARY INFORMATION:

Background on Viticultural Areas

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels, and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the regulations promulgated under the FAA Act.

Part 4 of the TTB regulations (27 CFR part 4) allows the establishment of definitive viticultural areas and the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) contains the list of approved viticultural areas.

Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region distinguishable by geographical features, the boundaries of which have been recognized and defined in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to its geographical origin. The establishment of viticultural areas allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may

purchase. Establishment of a viticultural area is neither an approval nor an endorsement by TTB of the wine produced in that area.

Requirements

Section 4.25(e)(2) of the TTB regulations outlines the procedure for proposing an American viticultural area and provides that any interested party may petition TTB to establish a grape-growing region as a viticultural area. Section 9.3(b) of the TTB regulations requires the petition to include—

- Evidence that the proposed viticultural area is locally and/or nationally known by the name specified in the petition;
- Historical or current evidence that supports setting the boundary of the proposed viticultural area as the petition specifies;
- Evidence relating to the geographical features, such as climate, soils, elevation, and physical features, that distinguish the proposed viticultural area from surrounding areas;
- A description of the specific boundary of the proposed viticultural area, based on features found on United States Geological Survey (USGS) maps; and
- A copy of the appropriate USGS map(s) with the proposed viticultural area’s boundary prominently marked.

Rulemaking Proceedings

Outer Coastal Plain Petition

James Quarella of Bellview Winery, Landisville, New Jersey, petitioned TTB to establish the “Outer Coastal Plain” as an American viticultural area in southeastern New Jersey. The proposed viticultural area covers approximately 2,255,400 acres and includes all of Cumberland, Cape May, Atlantic, and Ocean Counties and portions of Salem, Gloucester, Camden, Burlington, and Monmouth Counties. According to the petitioner, the area currently includes thirteen wineries, several vineyards, and approximately 750 acres planted to vines. We summarize below the evidence submitted in support of the petition.

Name Evidence

The Outer Coastal Plain is one of five defined physiographic regions of New Jersey. The other regions are the Inner Coastal Plain, the Newark Basin Piedmont, the Highlands, and the Appalachian Valley and Ridge.

The Outer Coastal Plain includes most of the State’s Atlantic coastline and the area known as the “Pinelands” or “Pine Barrens.” The petitioner states that most geology reference sources and such

government entities as the New Jersey Department of Environmental Protection, USGS, and the United States Department of Agriculture (USDA), call the region the "Outer Coastal Plain."

As evidence that the proposed viticultural area is known locally and nationally by this name, the petitioner submitted several documents that identify the area as the "Outer Coastal Plain." These documents included—

- A map from a National Park Service Web site showing landform regions in New Jersey, at http://www.cr.nps.gov/history/online_books/nj2/chap1.htm;
- A map entitled "Geographic Boundaries of the Outer Coastal Plain (OCP) of New Jersey," issued by the New Jersey Department of Environmental Protection; and
- A list of native trees and shrubs for the Outer Coastal Plain on the Web site of the New Jersey Agricultural Experiment Station/Cook College, Rutgers, The State University of New Jersey, at <http://www.rce.rutgers.edu/njriparianforestbuffers/nativeOUTER.htm>.

Both the Outer Coastal Plain and the Inner Coastal Plain comprise the extensive, seaward-sloping Atlantic Coastal Plain. The Atlantic Coastal Plain stretches about 2,200 miles along the coast of the Eastern United States, from Massachusetts to Florida.

Boundary Evidence

The Outer Coastal Plain encompasses the southeastern part of the State of New Jersey. The proposed viticultural area is roughly triangular in shape and comprises the most easterly and southerly portions of New Jersey, including most of the State's Atlantic coastline and the area known as the "Pinelands" or "Pine Barrens." According to the petitioner, the geographical and geological features that define the boundaries of the proposed viticultural area clearly distinguish it from surrounding areas. The proposed viticultural area's proximity to the Atlantic Ocean and Delaware Bay greatly influences its climate and its geographical and geological features, such as soils and underlying sediments. These features are described in greater detail in the following section.

The Atlantic Ocean coastline, including its barrier islands, forms the proposed viticultural area's eastern boundary, and Delaware Bay forms its southern boundary. The diagonal western boundary is immediately east of a belt of low hills, called *cuestas*. These *cuestas*, which extend in a northeasterly direction from the Delaware River lowlands in the southwest to the Atlantic Highlands overlooking Raritan

Bay in the northeast, separate the proposed viticultural area from the Inner Coastal Plain. The diagonal western boundary meets the eastern boundary within the city of Long Branch, New Jersey, on the Atlantic coastline.

As historical evidence for these proposed boundaries, the petitioner cited the area's long viticultural history. According to evidence that the petitioner submitted, viticulture flourished in the area as early as the mid-19th century. Egg Harbor City, New Jersey, was the center of a thriving wine industry with hundreds of acres of grapes. In 1864, Louis Renault established Renault Winery in Egg Harbor City, where he found the soils and climate to be similar to those of his native Rheims, France. Today, Renault Winery is one of the oldest, continuous winery operations in the United States. Around the same time, Dr. Thomas Welch founded the U.S. grape juice industry in Vineland, New Jersey, with a product that became known as Welch's Grape Juice. Although Prohibition devastated the area's wineries, the wine industry has made a strong comeback in recent years, due largely to the New Jersey Farm Winery Act of 1981. The number of wineries in the State jumped from 9 in 1981 to 27 today, 13 of which are in the proposed viticultural area.

Distinguishing Features

Soils and Geology. The petitioner asserts that the soils and geology of the proposed viticultural area clearly distinguish it from surrounding areas. Despite its large landmass, the Outer Coastal Plain has remarkably uniform, well drained sandy soils that derived from unconsolidated sediments. The relatively low fertility and low pH of these soils, the petitioner notes, are favorable for grape growing. In contrast to the soils of the Outer Coastal Plain, the fine, silty soils of the Inner Coastal Plain to the west have both higher fertility and higher pH and the soils to the north are dense and rocky, and are derived from bedrock.

As evidence of the proposed viticultural area's distinctive geology, the petitioner submitted the "Geologic Map of New Jersey." Published by the State's Department of Environmental Protection, this map clearly shows that most of the Outer Coastal Plain is underlain by unconsolidated deposits of sand, silt, and clay of the Tertiary period and that a small coastal fringe consists of beach and estuarine deposits of the Holocene epoch. The parent material of soils in other parts of the State formed in later geologic periods.

The Inner Coastal Plain, in contrast, is underlain by sand, silt, and clay of the Cretaceous period, and the northern regions of the State are underlain by sedimentary, igneous, and metamorphic rocks of still later geologic periods.

According to the petitioner, a unique feature of the proposed viticultural area is its significant aquifers, particularly the Cohansey aquifer, the largest freshwater aquifer in the mid-Atlantic region. The petitioner states that this aquifer is so important to the region's drainage and water supply that it was one reason the Pinelands National Reserve was created as a federally protected area. The Cohansey aquifer is part of the 1.93-million-acre Kirkwood-Cohansey aquifer system, the borders of which nearly correspond to those of the proposed viticultural area. The Cohansey and other aquifers, the petitioner notes, provide an abundant source of water for the proposed viticultural area's vineyards. In contrast to the Outer Coastal Plain, the adjacent Inner Coastal Plain has smaller, confined aquifers, mostly in the Potomac-Raritan-Magothy aquifer system.

Elevation. The petitioner states that the proposed viticultural area's elevation is another feature that distinguishes it from adjacent areas. According to an elevation map issued by the New Jersey Geological Survey, almost the entire area has elevations of less than 280 feet above sea level, and most of the area has elevations significantly below that height. The petitioner notes that the proposed viticultural area's low elevation and proximity to the Atlantic Ocean are moderating influences on its climate, as described below. Elevations in the other regions of New Jersey are higher. Elevations in the northwestern part of the State, for example, range from 1,300 to 1,680 feet.

Climate. According to the petitioner, the climate of the Outer Coastal Plain is strongly influenced by the Atlantic Ocean to the east and Delaware Bay to the south. Because of this maritime influence on its climate, the proposed viticultural area is generally warmer, has a longer growing season, and has more moderate temperatures than areas to the west and north. As evidence of the maritime influence, the petitioner submitted a USDA plant hardiness zone map of New Jersey and noted that the proposed viticultural area is in zones 6B, 7A, or 7B, whereas areas to the north and west are in cooler zones and have shorter growing seasons. The petitioner also submitted a climate overview published on the Web site of the New Jersey State Climatologist at

http://climate.Rutgers.edu/stateclim_v1/njclimoverview.html. The overview shows that the proposed viticultural area has between 190 and 217 freeze-free days per year. In contrast, the Highlands region to the north averages 163 freeze-free days and the central Piedmont region averages 179 freeze-free days. The petitioner notes that because of these climatic differences, more temperature-sensitive grape varieties may be grown in vineyards within the proposed viticultural area than in vineyards in other adjacent regions.

Notice of Proposed Rulemaking

On July 3, 2006, TTB published a notice of proposed rulemaking regarding the establishment of the Outer Coastal Plain viticultural area in the **Federal Register** (71 FR 37870) as Notice No. 59. In that notice, TTB invited comments by September 1, 2006, from all interested persons. We expressed particular interest in receiving comments on whether the proposed area name would result in a conflict with currently used brand names and whether the name "New Jersey Outer Coastal Plain" would more appropriately identify the proposed viticultural area. We received no comments on these or any other issues in response to that notice.

TTB Finding

After careful review of the petition, TTB finds that the evidence submitted supports the establishment of the proposed viticultural area. Therefore, under the authority of the Federal Alcohol Administration Act and part 4 of our regulations, we establish the "Outer Coastal Plain" viticultural area in the State of New Jersey effective 30 days from the publication date of this document.

Boundary Description

See the narrative boundary description of the viticultural area in the regulatory text published at the end of this final rule.

Maps

The petitioner provided the required maps, and we list them below in the regulatory text.

Impact on Current Wine Labels

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine's true place of origin. With the establishment of this viticultural area and its inclusion in part 9 of the TTB regulations, its name, "Outer Coastal Plain," is recognized under 27 CFR 4.39(i)(3) as a name of viticultural

significance. The text of the new regulation clarifies this point. Consequently, wine bottlers using "Outer Coastal Plain" in a brand name, including a trademark, or in another label reference as to the origin of the wine, must ensure that the product is eligible to use the viticultural area's name as an appellation of origin. For a wine to be labeled with a viticultural area name or with a brand name that includes a viticultural area name or other term identified as viticulturally significant in part 9 of the TTB regulations, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name or other term, and the wine must meet the other conditions listed in 27 CFR 4.25(e)(3). Different rules apply if a wine has a brand name containing a viticultural area name or other viticulturally significant term that was used as a brand name on a label approved before July 7, 1986. See 27 CFR 4.39(i)(2) for details.

Regulatory Flexibility Act

We certify that this regulation will not have a significant economic impact on a substantial number of small entities. The regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name is the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

Executive Order 12866

This rule is not a significant regulatory action as defined by Executive Order 12866, 58 FR 51735. Therefore, it requires no regulatory assessment.

Drafting Information

Jennifer Berry of the Regulations and Rulings Division drafted this document.

List of Subjects in 27 CFR Part 9

Wine.

Regulatory Amendment

■ For the reasons discussed in the preamble, we amend 27 CFR, chapter 1, part 9, as follows:

PART 9—AMERICAN VITICULTURAL AREAS

■ 1. The authority citation for part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

Subpart C—Approved American Viticultural Areas

■ 2. Subpart C is amended by adding § 9.207 to read as follows:

§ 9.207 Outer Coastal Plain.

(a) *Name.* The name of the viticultural area described in this section is "Outer Coastal Plain". For purposes of part 4 of this chapter, "Outer Coastal Plain" is a term of viticultural significance.

(b) *Approved maps.* The appropriate maps for determining the boundary of the Outer Coastal Plain viticultural area are seven United States Geological Survey topographic maps. They are titled—

(1) Wilmington, Delaware-New Jersey-Pennsylvania-Maryland, 1984, 1:100,000 scale;

(2) Hammonton, New Jersey, 1984, 1:100,000 scale;

(3) Trenton, New Jersey-Pennsylvania-New York, 1986, 1:100,000 scale;

(4) Long Branch, New Jersey, 1954, photorevised 1981, 1:24,000 scale;

(5) Atlantic City, New Jersey, 1984, 1:100,000 scale;

(6) Cape May, New Jersey, 1981, 1:100,000 scale; and

(7) Dover, Delaware-New Jersey-Maryland, 1984, 1:100,000 scale.

(c) *Boundary.* The Outer Coastal Plain viticultural area includes all of Cumberland, Cape May, Atlantic, and Ocean Counties and portions of Salem, Gloucester, Camden, Burlington, and Monmouth Counties in the State of New Jersey. The boundary of the Outer Coastal Plain viticultural area is as described below.

(1) The beginning point is on the Wilmington map at the confluence of Alloway Creek with the Delaware River (within Mad Horse Creek State Wildlife Management Area) in Salem County;

(2) From the beginning point, proceed northeasterly in a straight line to the village of Hagerville; then

(3) Continue north on an unnamed road locally known as County Road (CR) 658 to its intersection with State Route (SR) 49; then

(4) Proceed northwesterly on SR 49 to its intersection with SR 45 in the center of the town of Salem; then

(5) Proceed northeasterly on SR 45 to its intersection with SR 540 at the village of Pointers; then

(6) Proceed north on SR 540 into the village of Slapes Corner; then

(7) Proceed northeasterly on an unnamed road locally known as CR 646 to its intersection with the New Jersey Turnpike near the village of Auburn; then

(8) Proceed northeasterly on the New Jersey Turnpike for approximately 18

miles to its intersection with SR 47; then

(9) Proceed south on SR 47 for approximately 0.5 mile to its intersection with SR 534 at the village of Gardenville Center; then

(10) Proceed southeasterly through Gardenville Center on SR 534 to its intersection with SR 544; then

(11) Proceed northeasterly on SR 544 to its intersection with SR 73 on the Hammonton map; then

(12) Proceed north-northwesterly on SR 73 to its intersection with SR 70 in Cropwell; then

(13) Proceed east on SR 70 to its intersection with U.S. 206 in Red Lion; then

(14) Proceed north on U.S. 206, onto the Trenton map, to the intersection of U.S. 206 and an unnamed road locally known as CR 537, in the village of Chambers Corner; then

(15) Proceed northeasterly on CR 537, through the village of Jobstown; then

(16) Continue northeasterly on CR 537, through the villages of Smithburg and Freehold, to its intersection with SR 18, east-northeast of Freehold; then

(17) Proceed easterly on SR 18 to its intersection with the Garden State Parkway; then

(18) Proceed north on the Garden State Parkway to its intersection with SR 36 and proceed east along SR 36 onto the Long Branch map; then

(19) Using the Long Branch map, continue east on SR 36 to where it intersects with Joline Avenue; then

(20) Proceed northeasterly on Joline Avenue to the Atlantic Ocean shoreline; then

(21) Follow the Atlantic Ocean shoreline south, encompassing all coastal islands, onto the Trenton, Hammonton, Atlantic City, and Cape May maps, to the city of Cape May; then

(22) Proceed west, then north, along the eastern bank of the Delaware River, onto the Atlantic City, Dover, and Wilmington maps to the beginning point.

Dated: December 4, 2006.

John J. Manfreda,
Administrator.

Approved: January 29, 2007.

Timothy E. Skud,
Deputy Assistant Secretary, (Tax, Trade, and Tariff Policy).

[FR Doc. 07-575 Filed 2-8-07; 8:45 am]

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 155

[USCG-1998-3417]

RIN 1625-AA19

Salvage and Marine Firefighting Requirements; Vessel Response Plans for Oil

AGENCY: Coast Guard, DHS.

ACTION: Final rule; partial suspension of regulation.

SUMMARY: Current vessel response plan regulations require the owners or operators of vessels carrying Groups I through V petroleum oil as a primary cargo to identify in their response plans a salvage company with expertise and equipment, and a company with firefighting capability that can be deployed to a port nearest to the vessel's operating area within 24 hours of notification (Groups I-IV) or a discovery of a discharge (Group V). On January 23, 2004, a notice of suspension was published in the **Federal Register**, suspending the 24-hour requirement scheduled to become effective on February 12, 2004, until February 12, 2007 (69 FR 3236). The Coast Guard has decided to extend this suspension period for another two years to allow us to complete the rulemaking that will revise the salvage and marine firefighting requirements.

DATES: This extension is effective as of February 12, 2007. Termination of the suspension will be on February 12, 2009.

ADDRESSES: You may submit comments identified by Coast Guard docket number USCG-1998-3417 to the Docket Management Facility at the U.S. Department of Transportation. To avoid duplication, please use only one of the following methods:

(1) *Web Site:* <http://dms.dot.gov>;

(2) *Mail:* Docket Management Facility, U.S. Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590-0001;

(3) *Fax:* 202-493-2251;

(4) *Delivery:* Room PL-401 on the Plaza level of the Nassif Building, 400 Seventh, Street SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329; or

(5) *Federal eRulemaking Portal:* <http://www.regulations.gov>.

The Docket Management Facility maintains the public docket for this

rulemaking. Comments and material received from the public will become part of this docket and will be available for inspection or copying at room PL-401 on the Plaza level of the Nassif Building at the same address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also access this docket on the Internet at <http://dms.dot.gov>.

FOR FURTHER INFORMATION CONTACT: If you have questions on this rule or the partial suspension of regulations, call Lieutenant Commander Reed Kohberger, Office of Standards Evaluation and Development, Coast Guard Headquarters, telephone 202-372-1471, or via e-mail: Reed.H.Kohberger@uscg.mil. For questions on viewing or submitting material to the docket, call Ms. Renee V. Wright, Program Manager, Docket Operations, telephone 202-493-0402.

SUPPLEMENTARY INFORMATION:

Background and Regulatory History

Requirements for salvage and marine firefighting resources in vessel response plans have been in place since February 5, 1993 (58 FR 7424). The existing requirements are general. The Coast Guard did not originally develop specific requirements because each salvage and marine firefighting response for an individual vessel is unique, due to the vessel's size, construction, operating area, and other variables. The Coast Guard's intent was to rely on the planholder to prudently identify contractor resources to meet their needs. The Coast Guard anticipated that the significant benefits of a quick and effective salvage and marine firefighting response would be sufficient incentive for industry to develop salvage and marine firefighting capability parallel to the development of oil spill removal organizations.

Early in 1997, it became apparent that there was disagreement among planholders, salvage and marine firefighting contractors, maritime associations, public agencies, and other stakeholders as to what constituted adequate salvage and marine firefighting resources. There was also concern as to whether these resources could respond to the port nearest to the vessel's operating area within 24 hours.

On June 24, 1997, a notice of meeting was published in the **Federal Register** (62 FR 34105) announcing a workshop to solicit comments from the public on potential changes to the salvage and marine firefighting requirements currently found in 33 CFR part 155.

A public workshop was held on August 5, 1997, to address issues related