

"Reporting Registered Government Securities Broker or Dealer" shall mean any registered government securities broker or dealer that submits such application to the Secretary on behalf of its associated registered government securities brokers or dealers."

(5) Paragraph 240.17h-2T(c) of this title is modified to read as follows:

"(c) *Special provisions with respect to Material Associated Persons subject to the supervision of certain domestic regulators.* A registered government securities broker or dealer shall be deemed to be in compliance with the reporting requirements of paragraph (a) of this section with respect to a Material Associated Person if such registered government securities broker or dealer files Items 1, 2, and 3 (in Part I) of Form 17-H in accordance with paragraph (a) of this section, provided that:

"(1) Such Material Associated Person is subject to examination by or the reporting requirements of a Federal banking agency and the registered government securities broker or dealer or such Material Associated Person furnishes in accordance with paragraph (a) of this section copies of reports filed by the Material Associated Person with the Federal banking agency pursuant to section 5211 of the Revised Statutes, section 9 of the Federal Reserve Act, section 7(a) of the Federal Deposit Insurance Act, section 10(b) of the Home Owners' Loan Act, or section 5 of the Bank Holding Company Act of 1956; or"

* * * * *

(6) Paragraph 240.17h-2T(d) of this title is modified to read as follows:

"(d) *Special provisions with respect to Material Associated Persons subject to the supervision of a foreign financial regulatory authority.* A registered government securities broker or dealer shall be deemed to be in compliance with the reporting requirements of paragraph (a) of this section with respect to a Material Associated Person if such registered government securities broker or dealer furnishes, in accordance with the provisions of paragraph (a) of this section, Items 1, 2, and 3 (in Part I) of Form 17-H and copies of the reports filed by such Material Associated Person with a Foreign Financial Regulatory Authority. The registered government securities broker or dealer shall file a copy of the original Foreign Financial Regulatory report and a copy translated into the English language. For the purposes of this section, the term Foreign Financial Regulatory Authority shall have the meaning set forth in section 3(a)(52) of the Act."

(7) Paragraph 240.17h-2T(f) of this title is modified to read as follows:

"(f) *Temporary implementation schedule.* Every registered government securities broker or dealer subject to the requirements of this section shall file the information required by Items 1, 2 and 3 (in Part I) of Form 17-H by April 30, 1995. Commencing June 30, 1995, the provisions of this section shall apply in their entirety."

Date: October 31, 1994.

Frank N. Newman,

Deputy Secretary.

[FR Doc. 94-28041 Filed 11-14-94; 8:45 am]

BILLING CODE 4810-39-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 333 and 369

[Docket No. 75N-183H]

RIN 0905-AA06

Topical Antimicrobial Drug Products for Over-the-Counter Human Use; Tentative Final Monograph for Health-Care Antiseptic Drug Products; Extension of Comment and New Data Periods

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of proposed rulemaking; extension of comment and new data periods.

SUMMARY: The Food and Drug Administration (FDA) is extending to June 19, 1995, the period for comments; to December 15, 1995, the period for new data; and to February 13, 1996, the period for comments on the new data for the notice of proposed rulemaking that was published in the *Federal Register* of June 17, 1994. That document proposed to establish conditions under which over-the-counter (OTC) topical health-care antiseptic drug products are generally recognized as safe and effective and not misbranded. FDA is taking this action in response to a request to extend these periods for an additional 6 months to allow interested persons adequate time to assess and respond to the proposal.

DATES: Written comments by June 19, 1995; new data by December 15, 1995; and comments on the new data by February 13, 1996.

ADDRESSES: Written comments or new data to the Dockets Management Branch (HFA-305), Food and Drug Administration, rm. 1-23, 12420 Parklawn Dr., Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: William E. Gilbertson, Center for Drug Evaluation and Research (HFD-810), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-594-5000.

SUPPLEMENTARY INFORMATION: In the *Federal Register* of June 17, 1994 (59 FR 31402), FDA issued a notice of proposed rulemaking in the form of an amended tentative final monograph to establish conditions under which OTC topical health-care antiseptic drug products are generally recognized as safe and effective and not misbranded. FDA issued this notice of proposed rulemaking to amend a previous notice of proposed rulemaking on topical antimicrobial drug products (43 FR 1210, January 6, 1978), after considering the public comments on that notice and other information in the administrative record for this rulemaking. Interested persons were given until December 14, 1994, to submit comments on the proposal; until June 19, 1995, to submit new data; and until August 17, 1995, to comment on the new data.

In response to the proposal, the Cosmetic, Toiletry, and Fragrance Association (CTFA), the Soap and Detergent Association (SDA), and the Nonprescription Drug Manufacturers Association (NDMA) requested a 6-month extension of the comment and new data periods. (Although not specifically requested, a 6-month extension of the period for comments on the new data would result if these requests were to be granted.) CTFA, SDA, and NDMA noted their representation of the personal care products industry, manufacturers of products for cleaning and sanitation and the raw materials used in these products, and manufacturers of OTC drug products. The associations asserted that the proposal was broad in scope and raised numerous complex issues, particularly in the area of the effectiveness testing of these OTC drug products. The associations stated that more time is needed to assess fully the significant changes included in the proposal and to respond adequately to these issues. Observing that the agency's proposal was in the preparation stage for a considerable number of years, the associations stated their belief that it is reasonable for the agency to allow the additional time for comment and new data.

FDA has carefully considered the request and acknowledges the broad scope of the proposal as well as the complexity of the issues it raises. The agency believes that additional time for comment and the submission of new data is in the public interest and will be

of assistance in establishing conditions under which OTC topical health-care antiseptic drug products are generally recognized as safe and effective and not misbranded. Thus, the agency finds an extension of the periods for comments, new data, and comments on the new data to be appropriate.

Interested persons may, on or before June 19, 1995, submit to the Dockets Management Branch (address above) written comments on the proposed regulation. New data may be submitted on or before December 15, 1995, and comments on the new data by February 13, 1996. Three copies of all data and comments are to be submitted, except that individuals may submit one copy. All data and comments are to be identified with the docket number found in brackets in the heading of this document. Received data and comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Dated: November 1, 1994.

William K. Hubbard,

Interim Deputy Commissioner for Policy.

[FR Doc. 94-28063 Filed 11-14-94; 8:45 am]

BILLING CODE 4160-01-F

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[CO-46-94]

RIN 1545-AS97

Losses on Small Business Stock

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document proposes amendments to regulations under section 1244 relating to losses on small business stock. In particular, the amendment concerns the records to be kept and information to be filed with the return.

Section 1244(a) permits an individual to treat a limited amount of loss on certain small business corporation stock as ordinary loss. The existing regulation requires that a taxpayer claiming an ordinary loss on small business stock shall maintain certain information and file an information statement with the taxpayer's return for the year in which the loss occurs. The proposed amendment would remove the requirement that a taxpayer claiming a section 1244 ordinary loss file an information statement with the taxpayer's income tax return.

DATES: Written comments and requests for a public hearing must be received by January 17, 1995.

ADDRESSES: Send submissions to: CC:DOM:CORP:T:R (CO-46-94), room 5228, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. In the alternative, submissions may be hand delivered between the hours of 8:00 a.m. and 5:00 p.m. to: CC:DOM:CORP:T:R (CO-46-94), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Kirsten L. Simpson, (202) 622-7790 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

The collection of information contained in this notice of proposed rulemaking has been submitted to the Office of Management and Budget for review in accordance with the Paperwork Reduction Act (44 U.S.C. 3504(b)). Comments on the collection of information should be sent to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503, with copies to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, PC:FP, Washington, DC 20224.

The collection of information is in § 1.1244(e)-1(b). This information is required by the IRS to determine whether a taxpayer is entitled to a section 1244 loss. This information will be used by IRS examiners to verify that the stock qualifies as section 1244 stock. The likely recordkeepers are individuals and corporations.

Estimated total annual recordkeeping burden: 2,000 hours. The estimated annual burden per recordkeeper varies from .10 hours to .30 hours, depending on individual circumstances, with an estimated average of .20 hours. Estimated number of recordkeepers: 10,000.

Background

This document proposes amendments to the Income Tax Regulations (26 CFR part 1) under section 1244 of the Internal Revenue Code of 1986. Section 1244 was enacted as part of the Small Business Tax Revision Act of 1958, with the goal of encouraging the flow of new funds into small business. The purpose of the section was to reduce the risk of a loss of new investment by permitting a taxpayer to take an ordinary loss, rather than a capital loss, on qualifying small business stock. H.R. Rep. No.

2198, 85th Cong., 2d Sess. 4 (1958); 104 Cong. Rec. 17,090 (1958) (Senate).

Section 1244(a) permits an individual to treat a limited amount of loss on section 1244 stock as ordinary loss. Section 1244(c) defines "section 1244 stock" as stock in a domestic corporation if, at the time the stock is issued: (1) the corporation was a small business corporation (as defined in section 1244(c)(3)); (2) the stock was issued by the corporation for money or other property (other than stock and securities); and (3) the corporation, during the period of its five most recent taxable years ending before the date the loss on the stock was sustained, derived more than 50 percent of its aggregate gross receipts from sources other than royalties, rents, dividends, interest, annuities, and sales or exchanges of stocks or securities.

Section 1.1244(e)-1(b) of the Income Tax Regulations provides that any taxpayer who claims an ordinary loss deduction under section 1244 shall file with the taxpayer's income tax return for the loss year an information statement setting forth: (1) the address of the corporation that issued the stock; (2) the manner in which the stock was acquired by the taxpayer and the nature and amount of the consideration paid; and (3) if the stock was acquired in a nontaxable transaction in exchange for property other than money—the type of property, its fair market value on the date of transfer to the corporation, and its adjusted basis on such date.

The IRS has taken the position that taxpayers are not entitled to section 1244 ordinary loss treatment if they have failed to file the information statement described in § 1.1244(e)-1(b) with the income tax return for the year in which the deduction for the loss is claimed. The Tax Court has upheld this position. See *Magee v. Commissioner*, T.C. Memo. 1993-305, 66 T.C.M. (CCH) 105 (1993); *Courman v. Commissioner*, T.C. Memo. 1989-520, 58 T.C.M. (CCH) 219 (1989); and *Cosgrove v. Commissioner*, T.C. Memo. 1987-401, 54 T.C.M. (CCH) 136 (1987).

Explanation of Provision

The IRS and Treasury Department have determined that denying ordinary loss treatment under section 1244 solely because a taxpayer fails to file the § 1.1244(e)-1(b) information statement with the taxpayer's income tax return is not necessary to achieve the purposes of section 1244. Notice 94-89, 1994-38 I.R.B. 54. Therefore, taxpayers will not be required to file the § 1.1244(e)-1(b) information statement to qualify for section 1244 treatment. Section 1.1244(e)-1(b) is proposed to be revised