

DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Bureau/Office	RIN - Control Number	Title	Brief Description	Progress updates- Completion date (actual or anticipated)	Anticipated savings in costs and/or information collection burdens, together with any anticipated changes in benefits (please quantify, to the extent feasible, and also specify baseline, time horizon, and affected groups)
Alcohol and Tobacco Tax and Trade Bureau (TTB)	1513-AB03	Revision to Specially Denatured and Completely Denatured Alcohol Regulations	TTB will propose changes to regulations for specially denatured alcohol (SDA) and completely denatured alcohol (CDA) that would reclassify certain SDA formulas as CDA and to issue new general-use formulas for articles made with SDA so that industry members would less frequently need to seek formula approval from TTB.	Anticipated NPRM publication in Summer 2012	<p>TTB estimates that these proposed changes would result in an 80 percent reduction in the formula approval submissions currently required from industry members and would reduce total annual paperwork burden hours on affected industry members from 2,415 to 517 hours.</p> <p>The reduction in formula submissions will enable TTB to redirect its resources to address backlogs that exist in other areas of TTB's mission activities, such as analyses of compliance samples for industrial/fuel alcohol to protect the revenue and working with industry to test and approve new and more environmentally friendly denaturants. Other proposed changes would remove unnecessary regulatory burdens and update the regulations to align them with current industry practice.</p>
Alcohol and Tobacco Tax and Trade Bureau (TTB)	1513-AB72	Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) Final Rule	The rulemaking will finalize the temporary regulations promulgated under the CHIPRA, which included provisions to help prevent the diversion of tobacco products and to collect the tobacco excise taxes rightfully due.	Temporary rule published 6/22/09 (74 FR 29433). Anticipated final rule publication in June 2012	Congress mandated the regulation of processed tobacco to strengthen the enforcement authority for the Federal excise tax on tobacco products, which significantly increased under the Act. The Act provides enforcement mechanisms to assist in preventing the diversion of tobacco materials to illegal manufacturers, and the regulations implement these enforcement mechanisms. A temporary rule was published in June 2009. To continue the implementation of these CHIPRA provisions and to provide certainty, a final rule must be published by June 2012.

DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Alcohol and Tobacco Tax and Trade Bureau (TTB)	1513-AB94	Revisions to Beer Regulations	TTB intends to take immediate regulatory action in the form of a temporary rule and a NPRM to implement changes to the Part 25 beer regulations that will reduce reporting burdens on brewers.	Anticipated temporary rule and corresponding NPRM publication in Summer 2012	This regulatory action will decrease the regulatory burden on industry members by streamlining and reducing the reporting and recordkeeping requirements for industry members and increase efficiency for both the industry and TTB.
Alcohol and Tobacco Tax and Trade Bureau (TTB)	1513-AB89	Revisions to Distilled Spirits Plant Operations Reports and Regulations	TTB proposed to revise regulations in 27 CFR Part 19 and replace the current four report forms used by distilled spirits plants to report their operations on a monthly basis with just two new report forms that would be submitted on a monthly basis (plants that qualify to file taxes on a quarterly basis would submit the new reports on a quarterly basis).	NPRM published 12/5/11 (76 FR 75836); Comment period will be re-opened in June or July 2012 for public comment on revised forms; final rule anticipated 2012.	<p>This project, which was included in the President's FY 2012 budget for TTB as a cost saving item, will address numerous concerns and desires for improved reporting by the affected distilled spirits industry and result in cost savings to the industry and TTB by halving the number of monthly plant operations reports that must be completed and filed by industry members and processed by TTB.</p> <p>TTB preliminarily estimates that this project will result in an annual savings of approximately 23,218 paperwork burden hours (or 11.6 staff years) for industry members, and 629 processing hours (or 0.3 staff years) and \$12,442 per year for TTB in contractor time. In addition, TTB estimates that this project will result in additional savings in staff time (approximately 3 staff years) equaling \$300,000 annually based on the more efficient and effective processing of reports and the use of report data to reconcile industry member tax accounts.</p>
Departmental Offices (DO)	TBD	Freedom of Information Act (FOIA)	DO is reviewing its FOIA rules in title 31 in order to update and modernize its regulations and to update the regulations to reflect organizational changes.	NPRM anticipated 2012.	DO anticipates that updates to its FOIA regulations will streamline existing procedures for the public in submitting requests and for the Department in responding to requests.

DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Customs Revenue Function (Customs and Border Protection (CBP))	1515-AD69	Informal Entry Limit and Removal of a Formal Entry Requirement	<p>CBP and Treasury published a Notice of Proposed Rulemaking on October 28, 2011 proposing to increase the informal entry limit from \$2,000 to its statutory maximum of \$2,500 and to remove the language requiring formal entry for certain articles, because with the elimination of absolute quotas under the Agreement on Textiles and Clothing, CBP no longer needs to require formal entries for these articles. Currently, CBP is developing a final rulemaking document to implement the proposed changes.</p>	<p>NPRM published 10/28/11 (76 FR 66862). Final rule is anticipated in July 2012.</p>	<p>The net gain to the public as a result of this final rule would be \$13 million in saved merchandise processing fees (MPFs).</p>
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DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

United States Mint	TBD	Mutilated Coinage Redemption Program	Updating mutilated coin redemption program regulations (31 CFR Part 100, subpart C) to clarify certain ambiguities in the regulations, prepare necessary updates to reflect redemption values for new coins issued since the regulation was last amended, and revise existing redemption processes.	NPRM anticipated 2012.	We anticipate the benefits of the revised procedures to include—(1) more accurate and consistent redemption values based on the current coin weights for each denomination; (2) elimination of public confusion over redemption criteria by clarifying the standards on the acceptance of mixed and fused coins; and (3) revised redemption processes that will mitigate the possibility of abusing the program for illegal money laundering purposes.
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DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Internal Revenue Service (IRS)	<p>1. 1545–BK23</p> <p>2. 1545–BJ55</p>	<p>1. Longevity Annuity Contracts.</p> <p>2. Modifications to Minimum Present Value Requirements for Partial Annuity Distribution Options Under Defined Benefit Pension Plans.</p>	<p>1. Proposed regulations facilitating the purchase of longevity annuity contracts under tax-qualified defined contribution plans under section 401(a) of the Internal Revenue Code (Code), section 403(b) plans, individual retirement annuities and accounts (IRAs) under section 408, and eligible governmental section 457 plans.</p> <p>2. Proposed regulations would change the regulations regarding the minimum present value requirements for defined benefit plan distributions to permit plans to simplify the treatment of certain optional forms of benefit that are paid partly in the form of an annuity and partly in a more accelerated form.</p>	<p>NPRM for each item published on 2/03/12 (77 FR 5443 and 77 FR 5454)</p>	<p>Will facilitate the delivery of lifetime income in qualified plans and, to some extent, IRAs, and may reduce administrative burdens for retirement plan sponsors that would like to expand employees' retirement income options.</p>
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DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Departmental Offices (DO); Office of Financial Stability	1505-AC05	Emergency Economic Stabilization Act; Conflicts of Interest	This rule finalizes an interim rule that provided guidance on conflicts of interest pursuant to section 108 of the Emergency Economic Stabilization Act of 2008, which was enacted on October 3, 2008.	Interim rule published 1/21/09 (74 FR 3431); Final rule published 10/3/2011 (76 FR 61046)	By finalizing the interim rule, the Department is providing greater certainty to those entities affected by the regulations.
Departmental Offices - Office of Foreign Assets Control (OFAC)	n/a	Taliban (Afghanistan) Sanctions Regulations; Regulations Prohibiting Transactions Involving the Shipment of Certain Merchandise Between Foreign Countries; and others	These regulations relate to economic sanctions against North Korea, the Taliban, and the Former Yugoslavia that have been terminated and, in some cases, replaced by new sanctions programs.	Final rules published 6/29/2011 (76 FR 38000); 6/20/11 (76 FR 35739); 6/1/2011 (76 FR 31470) .	OFAC has removed Parts 500, 505, 545, 585, 586, and 587 of 31 CFR Chapter V in order to streamline its regulations and remove outdated material.

DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Customs Revenue Function (Customs and Border Protection (CBP))	1515-AD67	Courtesy Notice of Liquidation	The Department and CBP have issued a final rule eliminating the mailing of paper “courtesy” notices of liquidation, which provide informal, advanced notice of the liquidation date to the importers of record whose entry summaries are electronically filed in the Automated Broker Interface (ABI), while maintaining paper notices for all non-ABI filed entries.	Final rule published 8/17/11 (76 FR 50883)	This effort to proceed only electronically will streamline the notification process and reduce printing and mailing costs for CBP. The ABI filer is already provided an electronic courtesy notice. All importers will be able to view their liquidation reports electronically through the enhanced Automated Commercial Environment (ACE) portal.
Internal Revenue Service (IRS)	1545-BI36	Claims for Credit or Refund	Proposed regulations making corrections to the section 6402 regulations to reflect the proper place for filing claims for refund or credit.	NPRM published 6/10/11 (76 FR 34017). Final rule anticipated 2012.	The proposed regulations provide taxpayers information to enable them to file a claim for refund or credit. The proposed regulations update the existing regulations that contain outdated information.

**DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012**

Internal Revenue Service (IRS)	1545-BH28	Implementation of Form 990	Final regulations update various existing regulations as a result of the IRS's redesign of Form 990, "Return of Organization Exempt From Income Tax." The redesign was initiated because the form had not been significantly revised since 1979 and both the IRS and stakeholders regarded the form as needing major revision to keep pace with changes in the law and with the increasing size, diversity, and complexity of the exempt sector.	Final rule published 9/8/11 (76 FR 5746)	The final regulations eliminate the advanced ruling process. Under the former advance ruling process, an applicant organization was granted public charity status conditionally for its first five years, after which it had to come back and demonstrate it had sufficient public support to be classified as a public charity rather than a private foundation. Over the four year period ending in 2008, on average approximately 21,500 organizations each year came back to the IRS to demonstrate that they met the public support test at the end of the five year advance ruling period. The amount of burden reduction cannot be further quantified.
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DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Internal Revenue Service (IRS)	1545-BJ07	Extending Religious and Family Member FICA and FUTA Exceptions to Disregarded Entities	Temporary and cross referencing proposed regulations that extend certain exceptions from taxes under the Federal Insurance Contributions Act (FICA) and the Federal Unemployment Tax Act (FUTA) to disregarded entities. The regulations are in response to recent changes made to the entity classification regulations to ensure that the exceptions continue to be available.	Temporary regulations and cross referencing NPRM published 11/1/11 (76 FR 67363; 76 FR 67384)	The temporary and cross referencing proposed regulations will ensure that certain exceptions from FICA and FUTA continue to be available as a result of publication of the entity classification regulations. These regulations will reduce the administrative burden of tax law compliance by providing updated and clarified rules.
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DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Internal Revenue Service (IRS)	1545-BF80	Section 67 Limitations on Estates and Trusts	Proposed regulations on the deductibility of certain investment advisory and other expenses of trusts and estates, specifically whether such expenses are subject to the 2% floor for miscellaneous itemized expenses under section 67(a) or are fully deductible under the section 67(e) exception for administration expenses that would not have been incurred if the property was not held in the trust or estate	NPRM published 9/7/11 (76 FR 55322).	These proposed regulations assist in tax compliance because they update the rules to be consistent with a 2008 U.S. Supreme Court opinion.
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DEPARTMENT OF THE TREASURY
Implementation of Retrospective Review Plans
Status Report - May 2012

Internal Revenue Service (IRS)	1545-BD81	Methods of Accounting Used by Corporations That Acquire the Assets of Other Corporations	Final regulations under sections 381(c)(4) and (c)(5) to provide consistency in the methods of accounting used by a corporation that acquires the assets of another corporation in a section 381(a) transactions. Both regulatory sections address these issues but provide disparate treatment depending on whether the method change is subject to section 381(c)(4) or section 381(c)(5).	Final rule published 8/1/11 (76 FR 45673)	Under the prior regulations, taxpayers were required to request a private letter ruling to determine methods of accounting to be used following a section 381 transaction if the methods could not be determine under general tests. The revised regulations provide default rules to determine the methods when the general tests do not, eliminating the burden and cost of requesting a private letter ruling. The quantity of decrease in cost and burden is not known.
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