any C stock prior to year 6, D purchased 20 percent of the C stock in year 6, and then acquired all of the remaining C stock in year 7, the C stock purchased in year 6 and the C stock acquired in year 7 (even if purchased) would not be treated as ''other property'' because C becomes a DSAG member. See paragraph (g)(2)(i) of this section.

Example 3. Intra-SAG transaction. For more than five years, D has owned all of the stock of S. D and S, in the aggregate, have owned section 368(c) stock but not section 1504(a)(2) stock of C. Therefore, D and S are DSAG members, but C is not. In year 6, D purchases S's C stock. If D distributes all of its C stock within five years after the year 6 purchase, the distribution of the C stock purchased in year 6 would not be treated as ''other property.'' D's purchase of the C stock from S is disregarded for purposes of paragraph (g)(1) of this section because that C stock was owned by the DSAG immediately before and immediately after the purchase. See paragraph (g)(1) of this section.

Example 4. Affiliate exception. For more than five years, P has owned 90 percent of the sole outstanding class of the stock of D and a portion of the stock of C, and X has owned the remaining 10 percent of the D stock. Throughout this period, D has owned section 368(c) stock but not section 1504(a)(2) stock of C. In year 6, D purchases P's C stock. However, D does not own section 1504(a)(2) stock of C after the year 6 purchase. If D distributes all of its C stock to X in exchange for X's D stock within five years after the year 6 purchase, the distribution of the C stock purchased in year 6 would not be treated as ''other property'' because the C stock was purchased from a member (P) of the affiliated group (as defined in § 1.355–3(b)(4)(iv)) of which D is a member, and P did not purchase that C stock within the pre-distribution period. See paragraph (g)(2)(ii) of this section.

* * * * *

(i) *Effective/applicability date.* Paragraphs (g)(1) through (g)(5) of this section apply to distributions occurring after October 20, 2011. For rules regarding distributions occurring on or before October 20, 2011, see § 1.355–2T(i), as contained in 26 CFR part 1, revised as of April 1, 2011.

§ 1.355–0T [Removed]

■ **Par. 5.** Section 1.355–0T is removed.

§ 1.355–2T [Removed]

■ **Par. 6.** Section 1.355–2T is removed.

Steven T. Miller,

Deputy Commissioner for Services and Enforcement.

Approved: October 14, 2011.

Emily S. McMahon,

Acting Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2011–27240 Filed 10–19–11; 8:45 am]

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DEPARTMENT OF JUSTICE

28 CFR Part 104

[Docket No. CIV 151]

RIN 1105–AB39

James Zadroga 9/11 Health and Compensation Act of 2010

AGENCY: Department of Justice.

ACTION: Final rule; correction.

SUMMARY: The Department of Justice is correcting a final rule that appeared in the **Federal Register** of August 31, 2011 (76 FR 54112). That document issued regulations implementing the amendments made by the James Zadroga 9/11 Health and Compensation Act of 2010 (Zadroga Act) with respect to the September 11th Victim Compensation Fund of 2001.

DATES: Effective October 3, 2011.

FOR FURTHER INFORMATION CONTACT: Kenneth L. Zwick, Director, Office of Management Programs, Civil Division, U.S. Department of Justice, Main Building, Room 3140, 950 Pennsylvania Avenue, NW., Washington, DC 20530, telephone 855–885–1555 (TTY 855–885–1558).

SUPPLEMENTARY INFORMATION: In FR Doc. 2011–22160 appearing on page 54112 in the **Federal Register** on Wednesday, August 31, 2011, the following correction is made:

1. On page 54119, in the third column, the paragraph following the heading ''Small Business Regulatory Enforcement Fairness Act of 1996'' is revised to read as follows:

''The Office of Management and Budget has determined that this rule is a major rule as defined by section 251 of the Small Business Regulatory Enforcement Fairness Act of 1996 (Congressional Review Act), 5 U.S.C. 804. This rule will not result in a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic and export markets. However, the compensation benefits awarded to eligible claimants will have an annual beneficial impact on the economy of $100,000,000 or more in certain years until the amounts authorized and appropriated for the Victims Compensation Fund are fully distributed.

''Title II of the Zadroga Act reactivates the September 11th Victim Compensation Fund of 2001 and requires a Special Master, appointed by the Attorney General, to provide compensation to any individual (or a personal representative of a deceased individual) who suffered physical harm or was killed as a result of the terrorist-related aircraft crashes of September 11, 2001, or the debris removal efforts that took place in the immediate aftermath of those crashes. In view of the need to begin processing compensation claims as soon as possible, it is impracticable for the Department to comply with the requirements of section 801 of the Congressional Review Act, 5 U.S.C. 801, pertaining to delayed effective dates of major rules without unduly delaying the processing of claims. Section 808(2) of the Congressional Review Act, 5 U.S.C. 808(2), provides: ''Notwithstanding section 801—* * * (2) any rule which an agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rule issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest, shall take effect at such time as the Federal agency promulgating the rule determines.'' Were the Department not to invoke the exception provided in section 808(2) of the Congressional Review Act, eligible claimants would have to wait substantially longer to begin filing their claims, thereby impairing Congress's goal of providing compensation in as expeditious a manner as possible (as evidenced by the short statutory deadline for implementation). Such a delay in implementing the compensation process would be clearly contrary to the public interest. For the foregoing reasons, the Special Master finds pursuant to section 808(2) of the Congressional Review Act, 5 U.S.C. 808, that good cause exists to make this final rule effective October 3, 2011.''

Dated: October 12, 2011.

Sheila L. Birnbaum,

Special Master.

[FR Doc. 2011–27121 Filed 10–19–11; 8:45 am]

BILLING CODE 4410–12–P

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 211

[Docket ID: DOD–2011–OS–0054; RIN 0790–AI69]

Mission Compatibility Evaluation Process

AGENCY: Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, DoD.