

(2) Reassembled with a new or refurbished HPC exit diffuser air seal inner land, P/N 55H869.

(d) These engines are installed on, but not limited to, Boeing 777 airplanes.

#### Unsafe Condition

(e) This AD results from a report of oil leaking into the high pressure turbine interstage cavity and igniting, leading to an uncontained failure of the 2nd stage turbine air seal and engine in-flight shutdown. We are issuing this AD to prevent uncontained engine failure, damage to the airplane, and injury to passengers.

#### Compliance

(f) You are responsible for having the actions required by this AD performed at the following compliance times, unless the actions have already been done.

(g) Replace the HPC exit inner and outer brush seal packs with new HPC exit inner and outer brush seal packs, or replace the HPC exit brush seal assembly with a new HPC exit brush seal assembly as follows:

(1) By 3,000 cycles-since-last-overhaul (CSLO) or by March 31, 2007, whichever occurs later; however

(2) If on March 31, 2007, the engine has not accumulated 3,000 CSLO, then by 3,000 CSLO, or December 31, 2008, whichever occurs first.

(h) Use the Accomplishment Instructions of PW Service Bulletin No. PW4G-112-A72-280, Revision 1, dated March 21, 2006, to do the inner and outer brush pack replacements.

#### Alternative Methods of Compliance

(i) The Manager, Engine Certification Office, has the authority to approve alternative methods of compliance for this AD if requested using the procedures found in 14 CFR 39.19.

#### Related Information

(j) None.

Issued in Burlington, Massachusetts, on April 13, 2006.

**Francis A. Favara,**

*Manager, Engine and Propeller Directorate, Aircraft Certification Service.*

[FR Doc. E6-5843 Filed 4-18-06; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-148568-04]

RIN 1545-BE72

#### Time for Filing Employment Tax Returns and Modifications to the Deposit Rules; Hearing Cancellation

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Cancellation of notice of public hearing on proposed rulemaking.

**SUMMARY:** This document provides notice of cancellation of a public hearing on proposed rulemaking relating to the annual filing of Federal employment tax deposits for employees in the Employers' Annual Federal Tax Program (Form 944) under sections 6302 and 31.6302-1 of the Internal Revenue Code.

**DATES:** The public hearing originally scheduled for Wednesday, April 26, 2006 at 10 a.m., is cancelled.

#### FOR FURTHER INFORMATION CONTACT:

Treena Garrett of the Publications and Regulations Branch, Associate Chief Counsel (Procedure and Administration) at (202) 622-7180 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:** The notice of proposed rulemaking by cross-reference to temporary regulations and notice of public hearing that appeared in the **Federal Register** on Tuesday, January 3, 2006 (71 FR 46), announced that a public hearing was scheduled for Wednesday, April 26, 2006, at 10 a.m. in the IRS Auditorium, Internal Revenue Service Building, 1111 Constitution Avenue, NW., Washington, DC. The subject of the public hearing is proposed regulations under sections 6302 and 31.6302-1 of the Internal Revenue Code. The public comment period for these proposed regulations expired on Wednesday, April 3, 2006. Outlines of oral comments were due on Wednesday, April 5, 2006.

The notice of proposed rulemaking and notice of public hearing, instructed those interested in testifying at the public hearing to submit outlines of the topics to be addressed. As of Wednesday, April 12, 2006, no one has requested to speak. Therefore, the public hearing scheduled for Wednesday, April 26, 2006, is cancelled.

**Guy R. Traynor,**

*Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).*

[FR Doc. E6-5814 Filed 4-18-06; 8:45 am]

**BILLING CODE 4830-01-P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-150313-01]

RIN 1545-BA80

#### Withdrawal of Proposed Regulations Relating to Redemptions Taxable as Dividends

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Withdrawal of notice of proposed rulemaking.

**SUMMARY:** This document withdraws a notice of proposed rulemaking relating to redemptions of stock in which the redemption proceeds are treated as a dividend distribution. The proposed regulations were published on October 18, 2002 (67 FR 64331). After consideration of the comments received, the IRS and Treasury Department have decided to withdraw the proposed regulations.

**DATES:** These proposed regulations are withdrawn April 19, 2006.

#### FOR FURTHER INFORMATION CONTACT:

Theresa M. Kolish (202) 622-7750 (not a toll-free call).

#### SUPPLEMENTARY INFORMATION:

#### Background

On October 18, 2002, the IRS and Treasury Department issued proposed regulations providing guidance under sections 302 and 304 of the Internal Revenue Code regarding the treatment of the basis of stock redeemed or treated as redeemed. Section 302 provides that a corporation's redemption of its stock is treated as a distribution in part or full payment in exchange for the stock if the redemption satisfies certain criteria. If the redemption does not satisfy any of these criteria, the redemption is treated as a distribution to which section 301 applies. Under section 301(c)(1), a distribution is first treated as a dividend to the extent of earnings and profits. The remaining portion of a distribution, if any, is applied against and reduces basis of stock, and finally is treated as gain from the sale or exchange of property pursuant to section 301(c)(2) and (3).

Section 304(a)(1) treats the acquisition of stock by a corporation from one or more persons that are in control of both the acquiring and issuing corporation as if the property received for the acquired stock was received in a distribution in redemption of the stock of the acquiring corporation. Accordingly, the proposed section 302 regulations also would apply to these transactions.