extraordinary item arose, and thus PRS may choose not to allocate A any share of the extraordinary item.

Example 4. A and B each own a 15 percent interest in PRS, a partnership that is not a publicly traded partnership and for which capital is a material income-producing factor. At 9:00 a.m. on April 25, 2015, A sells its entire interest in PRS to new partner D. At 3:00 p.m. on April 25, 2015, PRS incurs an extraordinary item (within the meaning of paragraph (e)(2) of this section). At 5:00 p.m. on April 25, 2015, B sells its entire interest in PRS to new partner E. Under paragraph (e)(1) of this section, PRS must allocate the extraordinary item in accordance with the partners' interests at 3:00 p.m. on April 25, 2015. Accordingly, a portion of the extraordinary item will be allocated to each of B and D, but no portion will be allocated to A or E.

Example 5. PRS, a calendar year partnership that is not a publicly traded partnership, has a variation in a partner's interest during 2015 and the exceptions in paragraph (b) of this section do not apply. During 2015 PRS has two extraordinary items: PRS recognizes $8 million of gross income on the sale outside the ordinary course of business of an asset described in paragraph (e)(2)(ii) of this section, and PRS also recognizes $12 million of gross income from a tort settlement as described in paragraph (e)(2)(vii) of this section. PRS's gross income (including the gross income from the extraordinary items) for the taxable year is $200 million. The gain from all items described in paragraph (e)(2)(ii) of this section is less than five percent of PRS's gross income ($8 million gross income from the asset sale divided by $200 million total gross income, or four percent) and all of the extraordinary items of PRS from classes that are less than five percent of PRS's gross income ($8 million), in the aggregate, do not exceed $10 million for the taxable year. Thus, the $8 million gain recognized on the asset sale is considered a small item under paragraph (e)(3) of this section and is therefore excepted from the rules of paragraph (e)(1) of this section. Because the gross income attributable to the tort settlement exceeds five percent of PRS's gross income (six percent), the tort settlement gross income is not considered a small item under paragraph (e)(3) of this section. Therefore, the $12 million gross income attributable to the tort settlement must be allocated according to the rules of paragraph (e)(1) of this section in accordance with PRS's partners' interests in the item at the time of the day that the tort settlement income arose.

Example 6. Assume the same facts as Example 5, except that during the year, PRS also recognizes two additional extraordinary items: $2 million of gross income from the sale of a capital asset described in paragraph (e)(2)(i) of this section, and $1 million of gross income from discharge of indebtedness described in paragraph (e)(2)(vi) of this section. Although the gain from items described in each of paragraphs (e)(2)(i), (e)(2)(ii), and (e)(2)(vi) of this section is each less than five percent of PRS's gross income, the extraordinary items of PRS from classes that are less than five percent of PRS's gross income ($11 million), in the aggregate, exceeds $10 million for the taxable year. Thus, none of the items are considered a small item under paragraph (e)(3) of this section. Therefore, the items attributable to the sale of the capital asset, the sale of the trade or business asset, the discharge of indebtedness income, and the tort settlement must each be allocated according to the rules of paragraph (e)(1) of this section in accordance with PRS's partners' interests in the item at the time of the day that the items arose.

(f) *Agreement of the partners.* For purposes of paragraphs (a)(3)(iii) (relating to selection of the proration method), (c)(3) (relating to selection of the semi-monthly or monthly convention), (d) (relating to performance of regular monthly or semi-monthly interim closings), and (e)(2)(ix) (relating to selection of additional extraordinary items) of this section, the term agreement of the partners means either an agreement of all the partners to select the method, convention, or extraordinary item in a dated, written statement maintained with the partnership's books and records, including, for example, a selection that is included in the partnership agreement, or a selection of the method, convention, or extraordinary item made by a person authorized to make that selection, including under a grant of general authority provided for by either state law or in the partnership agreement, if that person's selection is in a dated, written statement maintained with the partnership's books and records. In either case, the dated written agreement must be maintained with the partnership's books and records by the due date, including extension, of the partnership's tax return.

(g) *Effective/applicability date.* Except with respect to paragraph (c)(3) of this section, this section applies for partnership taxable years that begin on or after August 3, 2015. The rules of paragraph (c)(3) of this section apply for taxable years of partnerships other than existing publicly traded partnerships that begin on or after August 3, 2015. For purposes of the immediately preceding sentence, an existing publicly traded partnership is a partnership described in section 7704(b) that was formed prior to April 19, 2009. For purposes of this effective date provision, the termination of a publicly traded partnership under section 708(b)(1)(B) due to the sale or exchange of 50 percent or more of the total interests in partnership capital and profits is disregarded in determining whether the publicly traded partnership is an existing publicly traded partnership.

■ **Par. 7.** Section 1.706–5 is added to read as follows:

§ 1.706–5 Taxable year determination.

(a) *In general.* For purposes of § 1.706–4, the taxable year of a partnership shall be determined without regard to section 706(c)(2)(A) and its regulations.

(b) *Effective/applicability date.* This section applies for partnership taxable years that begin on or after August 3, 2015.

PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

■ **Par. 8.** The authority for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805. * * *

■ **Par. 9.** 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.
* * * * *	
1.706–4(f)	1545–0123
* * * * *	

Karen L. Schiller,

Acting Deputy Commissioner for Services and Enforcement.

Approved: June 3, 2015.

Mark J. Mazur,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2015–18816 Filed 7–31–15; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF JUSTICE

Bureau of Prisons

28 CFR Part 553

[Docket No. BOP–1163]

RIN 1120–AB63

Contraband and Inmate Personal Property: Technical Amendment

AGENCY: Bureau of Prisons, Justice.

ACTION: Interim rule.

SUMMARY: In this document, the Bureau of Prisons makes a minor technical amendment to its regulations on contraband and inmate personal

property to maintain consistency in language which describes the purpose of the regulations as ensuring the safety, security, or good order of the facility or protection of the public.

DATES: This interim rule is effective September 2, 2015. Written comments must be postmarked and electronic comments must be submitted on or before October 2, 2015. Commenters should be aware that the electronic Federal Docket Management System will not accept comments after Midnight Eastern Time on the last day of the comment period.

ADDRESSES: Written comments should be submitted to the Rules Unit, Office of General Counsel, Bureau of Prisons, 320 First Street NW., Washington, DC 20534. You may view an electronic version of this regulation at *www.regulations.gov.* You may also comment by using the *www.regulations.gov* comment form for this regulation. When submitting comments electronically you must include the BOP Docket No. in the subject box.

FOR FURTHER INFORMATION CONTACT: Sarah Qureshi, Office of General Counsel, Bureau of Prisons, phone (202)307–2105.

SUPPLEMENTARY INFORMATION:

Posting of Public Comments

Please note that all comments received are considered part of the public record and are made available for public inspection online at *www.regulations.gov.* Such information includes personal identifying information (such as your name, address, etc.) voluntarily submitted by the commenter.

If you want to submit personal identifying information (such as your name, address, etc.) as part of your comment, but do not want it to be posted online, you must include the phrase ''PERSONAL IDENTIFYING INFORMATION'' in the first paragraph of your comment. You must also locate all the personal identifying information you do not want posted online in the first paragraph of your comment and identify what information you want redacted.

If you want to submit confidential business information as part of your comment but do not want it to be posted online, you must include the phrase ''CONFIDENTIAL BUSINESS INFORMATION'' in the first paragraph of your comment. You must also prominently identify confidential business information to be redacted within the comment. If a comment contains confidential business information that cannot be effectively redacted, all or part of that comment may not be posted on *www.regulations.gov.*

Personal identifying information identified and located as set forth above will be placed in the agency's public docket file but not posted online. Confidential business information identified and located as set forth above will not be placed in the public docket file. If you wish to inspect the agency's public docket file in person by appointment, please see the **FOR FURTHER INFORMATION CONTACT** paragraph.

Interim Regulations

In this document, the Bureau of Prisons (Bureau) makes a minor technical change to its regulations on contraband and inmate personal property to maintain consistency in language which describes the purpose of the regulations as ensuring the ''safety, security, or good order of the facility or protection of the public.''

Variations on this phrase appear throughout the Bureau's regulations in 28 CFR Chapter V. *See* 28 CFR 500.1(h), 501.2(b), 501.3(b), 511.10(a), 511.11(a), 511.12(a), 511.15(b), 511.17(b), 540.12(a), 540.14(c) and (d), 540.15(d), 540.40, 540.44(c), 540.51(h), 540.70, 540.71(b) and (d), 540.100(a), 540.101(a), 541.12, 541.43(b), 541.63(c), 543.11(f), 543.14(a) and (c), 543.15(c), 543.16(b), 544.20, 544.21(b), 548.10, 548.16–.18, 549.13(b), 549.50, 549.51(b), 551.1, 551.10, 551.12(d), 551.16(a), 551.31(b), 551.34(b), 551.35, 551.71(d), 551.110(a), 551.112(b), 551.113(a), 551.115(a), 552.13(b), 552.20, 552.21(a) and (d), 553.11(h), 553.12(b).

The Bureau has conformed the phrase in all revised regulations since approximately 2005. We now propose to similarly alter our regulations on contraband, an important threat to the safety, security, or good order of the facility or protection of the public.

Currently, the definition of contraband in § 500.1(h) reads as follows: ''Contraband is material prohibited by law, or by regulation, or material which can reasonably be expected to cause physical injury or adversely affect the security, safety, or good order of the institution.'' We now propose to conform the ''security, safety, or good order'' phrase to the language we have used in recent years, to read as follows: ''Contraband is material prohibited by law, regulation, or policy that can reasonably be expected to cause physical injury or adversely affect the safety, security, or good order of the facility or protection of the public.''

Likewise, in order to conform the phrase and underscore the importance of prohibiting contraband, we propose to add the phrase to the end of the first sentence of § 553.10, regarding inmate personal property, to read as follows: ''It is the policy of the Bureau of Prisons that an inmate may possess ordinarily only that property which the inmate is authorized to retain upon admission to the institution, which is issued while the inmate is in custody, which the inmate purchases in the institution commissary, or which is approved by staff to be mailed to, or otherwise received by an inmate, *that does not threaten the safety, security, or good order of the facility or protection of the public.''* [Emphasis added.] Further, § 543.12(b) contains another description/definition of contraband, categorizing it as either ''hard contraband'' or ''nuisance contraband.'' We add the ''safety, security'' phrase to this regulation as well.

It is important to note that this interim rule changes none of the substantive requirements or obligations relating to petitions for commutation of sentence, nor does it alter the Bureau's responsibilities in this regard.

Administrative Procedure Act

The Administrative Procedure Act (5 U.S.C. 553) allows exceptions to notice-and-comment rulemaking for ''(A) interpretive rules, general statements of policy, or rules of agency organization, procedure, or practice; or (B) when the agency for good cause finds . . . that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.''

This rulemaking is exempt from normal notice-and-comment procedures because it is a minor technical change. Because this change is a minor clarification of current agency procedure and practice by conforming language, we find that normal notice-and-comment rulemaking is unnecessary. The alternation of the language in this regulation is a minor clarification of current agency procedure, and is therefore exempt from normal notice-and-comment procedures under 5 U.S.C. 553(b)(A). Adding a rote phrase indicating that the purpose of the regulation is to insure the safety, security, and good order of the facility and the protection of the public does not impose any new rights or obligations, nor does it leave the Bureau free to exercise further discretion. *See National Ass'n of Broadcasters* v. *F.C.C.,* 569 F.3d 416, 426 (D.C. Cir. 2009). Despite the technical nature of the change, however, we are still allowing the public to comment on this rule

change by publishing it as an interim final rule.

Executive Order 12866

This regulation falls within a category of actions that the Office of Management and Budget (OMB) has determined not to constitute ''significant regulatory actions'' under section 3(f) of Executive Order 12866 and, accordingly, it was not reviewed by OMB.

Executive Order 13132

This regulation will not have substantial direct effect on the States, on the relationship between the national government and the States, or on distribution of power and responsibilities among the various levels of government. Therefore, under Executive Order 13132, we determine that this regulation does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Regulatory Flexibility Act

The Director of the Bureau of Prisons, under the Regulatory Flexibility Act (5 U.S.C. 605(b)), reviewed this regulation and by approving it certifies that it will not have a significant economic impact upon a substantial number of small entities for the following reasons: This regulation pertains to the correctional management of offenders committed to the custody of the Attorney General or the Director of the Bureau of Prisons, and its economic impact is limited to the Bureau's appropriated funds.

Unfunded Mandates Reform Act of 1995

This regulation will not result in the expenditure by State, local and tribal governments, in the aggregate, or by the private sector, of $100,000,000 or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Small Business Regulatory Enforcement Fairness Act of 1996

This regulation is not a major rule as defined by § 804 of the Small Business Regulatory Enforcement Fairness Act of 1996. This regulation will not result in an annual effect on the economy of $100,000,000 or more; 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.

List of Subjects in 28 CFR Parts 500 and 553

Prisoners.

Charles E. Samuels, Jr.,

Director, Bureau of Prisons.

Under rulemaking authority vested in the Attorney General in 5 U.S.C. 301; 28 U.S.C. 509, 510 and delegated to the Director, Bureau of Prisons in 28 CFR 0.96, we amend 28 CFR parts 500 and 553 as follows.

SUBCHAPTER A—GENERAL MANAGEMENT AND ADMINISTRATION

PART 500—GENERAL DEFINITIONS

■ 1. The authority citation for 28 CFR part 500 continues to read as follows:

Authority: 5 U.S.C. 301; 18 U.S.C. 3621, 3622, 3624, 4001, 4042, 4081, 4082 (Repealed in part as to offenses committed on or after November 1, 1987), 5006–5024 (Repealed October 12, 1984 as to offenses committed after that date), 5039; 28 U.S.C. 509, 510; 28 CFR 0.95–0.99.

■ 2. In § 500.1, paragraph (h) is revised to read as follows:

§ 500.1 Definitions.

* * * * *

(h) Contraband is material prohibited by law, regulation, or policy that can reasonably be expected to cause physical injury or adversely affect the safety, security, or good order of the facility or protection of the public.

SUBCHAPTER C—INSTITUTIONAL MANAGEMENT

PART 553—INMATE PROPERTY

■ 3. The authority citation for 28 CFR part 553 continues to read as follows:

Authority: 5 U.S.C. 301; 18 U.S.C. 3621, 3622, 3624, 4001, 4042, 4081, 4082 (Repealed in part as to offenses committed on or after November 1, 1987), 4126, 5006–5024 (Repealed October 12, 1984 as to offenses committed after that date), 5039; 28 U.S.C. 509, 510; 28 CFR 0.95–0.99.

■ 4. In § 553.10, revise the first sentence to read as follows:

§ 553.10 Purpose and scope.

It is the policy of the Bureau of Prisons that an inmate may possess ordinarily only that property which the inmate is authorized to retain upon admission to the institution, which is issued while the inmate is in custody, which the inmate purchases in the institution commissary, or which is approved by staff to be mailed to, or otherwise received by an inmate, that does not threaten the safety, security, or good order of the facility or protection of the public. * * *

■ 5. In § 553.12, revise paragraph (b) to read as follows:

§ 553.12 Contraband.

* * * * *

(b) For the purposes of this subpart, there are two types of contraband.

(1) Staff shall consider as hard contraband any item which threatens the safety, security, or good order of the facility or protection of the public and which ordinarily is not approved for possession by an inmate or for admission into the institution. Examples of hard contraband include weapons, intoxicants, and currency (where prohibited).

(2) Staff shall consider as nuisance contraband any item other than hard contraband, which has never been authorized, or which may be, or which previously has been authorized for possession by an inmate, but whose possession is prohibited when it presents a threat to safety, security, or good order of the facility or protection of the public, or its condition or excessive quantities of it present a health, fire, or housekeeping hazard. Examples of nuisance contraband include: personal property no longer permitted for admission to the institution or permitted for sale in the commissary; altered personal property; excessive accumulation of commissary, newspapers, letters, or magazines which cannot be stored neatly and safely in the designated area; food items which are spoiled or retained beyond the point of safe consumption; government-issued items which have been altered, or other items made from government property without staff authorization.

[FR Doc. 2015–18982 Filed 7–31–15; 8:45 am]

BILLING CODE 4410–05–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG–2015–0594]

Safety Zones; Swim Events in Captain of the Port New York Zone

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce various safety zones within the Captain of the Port New York Zone on the specified dates and times. This action is necessary to ensure the safety of vessels and spectators from hazards associated with swim events. During the