



# Federal Register

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**Monday,  
December 13, 2004**

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**Part XVI**

**Department of the  
Treasury**

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**Semiannual Regulatory Agenda**

**DEPARTMENT OF THE TREASURY (TREAS)**

**DEPARTMENT OF THE TREASURY**

**31 CFR Subtitle A, Chs. I and II**

**Semiannual Agenda and Fiscal Year 2005 Regulatory Plan**

**AGENCY:** Department of the Treasury.

**ACTION:** Semiannual regulatory agenda and annual regulatory plan.

**SUMMARY:** This notice is given pursuant to the requirements of the Regulatory Flexibility Act (Pub. L. 96-354, September 19, 1980) and Executive Order (E.O.) 12866 (“Regulatory Planning and Review,” September 30, 1993), which require the publication by the Department of a semiannual agenda of regulations. E.O. 12866 also requires the publication by the Department of a regulatory plan for fiscal year 2005.

**FOR FURTHER INFORMATION CONTACT:** The Agency Contact identified in the item relating to that regulation.

**SUPPLEMENTARY INFORMATION:** On November 25, 2002, the President signed the Homeland Security Act of 2002 (the Act), establishing the Department of Homeland Security (DHS). The Act transferred the U.S. Customs Service from the Department of

the Treasury to DHS, where it is now known as the Bureau of Customs and Border Protection. Notwithstanding the transfer of the Customs Service to DHS, the Act provides that the Secretary of the Treasury retains sole legal authority over the customs revenue functions, and authorizes the Secretary to delegate any of this retained authority to the Secretary of Homeland Security. By Treasury Department Order No. 100-16, the Secretary of the Treasury delegated to the Secretary of Homeland Security authority to prescribe regulations pertaining to the customs revenue functions. This Order further provided that the Secretary of the Treasury retained the sole authority to approve any such regulations concerning import quotas or trade bans; user fees; marking and labeling; copyright and trademark enforcement; and the completion of entry or substance of entry summary, including duty assessment and collection, classification, valuation, application of the U.S. Harmonized Schedules, eligibility or requirements for preferential trade programs, and the establishment of recordkeeping requirements. Accordingly, these regulations are now listed in the semiannual regulatory agenda of the Departmental Offices of the Department

of the Treasury. Because of limitations in the computer software used to prepare the agenda, the agency information under the heading “For Further Information Contact” for these regulations incorrectly indicates the Bureau of Customs and Border Protection contact person is an employee of the Department of the Treasury rather than the Department of Homeland Security.

The semiannual agenda of the Department of the Treasury conforms to the Unified Agenda format developed by the Regulatory Information Service Center (RISC).

For this edition of Treasury’s regulatory agenda, one regulation of the Office of the Comptroller of the Currency is included in The Regulatory Plan, which appears in part II of this issue of the **Federal Register**. This entry is listed in the table of contents below and is denoted by a bracketed bold reference, which directs the reader to the appropriate sequence number in part II.

**Dated:** October 28, 2004.

**Richard S. Carro,**  
*Senior Advisor to the General Counsel for Regulatory Affairs.*

**Departmental Offices—Proposed Rule Stage**

Sequence Number	Title	Regulation Identifier Number
2382	Amendments to the Government Securities Act Regulations: Exemption for Holdings Subject to Fiduciary Standards .....	1505-AB06
2383	Terrorism Risk Insurance Program; Additional Claims Issues .....	1505-AB09
2384	Terrorism Risk Insurance Program; Recoupments of Federal Share of Compensation for Insured Losses .....	1505-AB10
2385	19 CFR 111 Remote Location Filing .....	1505-AB20
2386	Uniform Rules of Origin .....	1505-AB49
2387	Recordation of Copyrights and Enforcement Procedures To Prevent Importation of Piratical Articles .....	1505-AB51
2388	Revision of Outbound Redelivery Procedures and Liabilities .....	1505-AB52
2389	19 CFR 101 Centralization of the Continuous Bond Program at the CBP National Finance Center .....	1505-AB54

**Departmental Offices—Final Rule Stage**

Sequence Number	Title	Regulation Identifier Number
2390	31 CFR 501 Reporting and Procedures Regulations; Cuban Assets Control Regulations: Publication of Economic Sanctions Enforcement Guidelines .....	1505-AA95
2391	Country-of-Origin Marking .....	1505-AB21
2392	Expanded Methods of Payment of Duties, Taxes, Interest, and Fees .....	1505-AB22
2393	19 CFR 4 User and Navigation Fees; Other Reimbursable Charges .....	1505-AB24
2394	19 CFR 10 African Growth and Opportunity Act and Generalized System of Preferences .....	1505-AB26
2395	Expanded Weekly Entry Procedure for Foreign Trade Zones .....	1505-AB27
2396	19 CFR 10 United States-Caribbean Basin Trade Partnership Act and Caribbean Basin Initiative .....	1505-AB28

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## Departmental Offices—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2397	19 CFR 24 Reimbursable Customs Inspectional Services—Increase in Hourly Rate Charge .....	1505-AB29
2398	19 CFR 12 Dog and Cat Protection Act .....	1505-AB31
2399	19 CFR 10 Prototypes Used Solely For Product Development, Testing, Evaluation, or Quality Control Purposes ...	1505-AB32
2400	19 CFR 10 Preferential Treatment of Brassieres Under the United States-Caribbean Basin Trade Partnership Act	1505-AB33
2401	19 CFR 141 Single Entry for Unassembled or Disassembled Entities Imported on Multiple Conveyances .....	1505-AB34
2402	19 CFR 10 Implementation of the Andean Trade Promotion and Drug Eradication Act .....	1505-AB37
2403	Trade Benefits Under the African Growth and Opportunity Act .....	1505-AB38
2404	19 CFR 24 Fees for Customs Processing at Express Courier Facilities .....	1505-AB39
2405	Trade Benefits Under the Caribbean Basin Economic Recovery Act .....	1505-AB40
2406	Tariff Treatment Related to Disassembly Operations Under the North American Free Trade Agreement (NAFTA) ..	1505-AB41
2407	Merchandise Processing Fees Eligible to be Claimed as Certain Types of Drawback Based on Substitution of Finished Petroleum Derivatives .....	1505-AB44
2408	19 CFR 10 United States—Chile Free Trade Agreement .....	1505-AB47
2409	19 CFR 10 United States—Singapore Free Trade Agreement .....	1505-AB48

## Departmental Offices—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2410	31 CFR ch II Possible Regulation of Access to Accounts at Financial Institutions Through Payment Service Providers .....	1505-AA74
2411	Financial Activities of Financial Subsidiaries .....	1505-AA80
2412	Financial Subsidiaries .....	1505-AA81
2413	12 CFR 1501.2 Secretary's Determination of Real Estate Brokerage .....	1505-AA84
2414	12 CFR 1501.2 Secretary's Determination of Other Activities Financial in Nature .....	1505-AA85
2415	19 CFR 4 Harbor Maintenance Fee .....	1505-AB11
2416	Donated Cargo Exemption From Harbor Maintenance Fee .....	1505-AB12
2417	19 CFR 142 Reconciliation .....	1505-AB16
2418	19 CFR 181 North American Free Trade Agreement (NAFTA)—Implementation of Duty-Deferral Program Provisions .....	1505-AB17

## Departmental Offices—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2419	12 CFR 1806 Bank Enterprise Award (BEA) Program .....	1505-AA91
2420	12 CFR 1805 Community Development Financial Institutions (CDFI) Program .....	1505-AA92
2421	17 CFR 403.4 Amendments to the Government Securities Act Regulations: Customer Protection-Reserves and Custody of Securities .....	1505-AA94
2422	31 CFR 1.8 to 1.12 Disclosure of Records in Litigation .....	1505-AA97
2423	Terrorism Risk Insurance Program; Initial Claims Procedure Requirements .....	1505-AB07
2424	Terrorism Risk Insurance Program; Litigation Management .....	1505-AB08
2425	Textiles and Textile Products Subject to Textile Trade Agreements .....	1505-AB13
2426	Liquidation; Extension; Suspension .....	1505-AB14
2427	19 CFR 12 Detention, Seizure, and Forfeiture of "Bootleg" Sound Recording and Music Videos of Live Musical Performances .....	1505-AB15
2428	19 CFR 12 Entry of Softwood Lumber Shipments From Canada .....	1505-AB18
2429	Entry of Softwood Lumber Shipments From Canada .....	1505-AB23

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## Financial Crimes Enforcement Network—Prerule Stage

Sequence Number	Title	Regulation Identifier Number
2430	Customer Identification Programs for Pawn Brokers .....	1506-AA39

## Financial Crimes Enforcement Network—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2431	31 CFR 103 Amendment to the Bank Secrecy Act Regulations—Delegation of Authority To Assess Civil Money Penalties on Depository Institutions .....	1506-AA08
2432	Customer Identification Programs for Travel Agents .....	1506-AA38
2433	Customer Identification Programs for Loan and Finance Companies .....	1506-AA40
2434	Customer Identification Programs for Sellers of Vehicles .....	1506-AA41
2435	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Travel Agencies .....	1506-AA69
2436	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Loan and Finance Companies .....	1506-AA73
2437	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Persons Involved in Real Estate Closings and Settlements .....	1506-AA79
2438	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Businesses Engaged in Vehicle Sales, Including Automobiles, Airplane, and Boat Sales .....	1506-AA80

## Financial Crimes Enforcement Network—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2439	31 CFR 103 Amendment to the Bank Secrecy Act Regulations Regarding Reporting of Cross-Border Transportation of Certain Monetary Instruments .....	1506-AA15
2440	31 CFR 103 Amendment to the Bank Secrecy Act Regulations—Exemptions From the Requirement To Report Transactions in Currency .....	1506-AA23
2441	31 CFR 103.30 Amendment to the Bank Secrecy Act Regulations—Requirement that Nonfinancial Trades or Businesses Report Certain Currency Transactions .....	1506-AA25
2442	31 CFR 103.175-103.178 Due Diligence Requirements for Correspondent Accounts and Private Banking Accounts .....	1506-AA29
2443	31 CFR 103.121 Customer Identification Programs for Banks, Savings Associations, and Credit Unions .....	1506-AA31
2444	31 CFR 103.16 Financial Crimes Enforcement Network; Amendment to the Bank Secrecy Act Regulations Requirement That Insurance Companies Report Suspicious Transactions .....	1506-AA36
2445	31 CFR 103.15 Amendment to the Bank Secrecy Act Regulations—Requirement That Mutual Funds Report Suspicious Transactions .....	1506-AA37
2446	31 CFR 103.184 Imposition of Special Measures Against the Country of Nauru .....	1506-AA43
2447	Financial Crimes Enforcement; Amendments to the Bank Secrecy Act Regulations—Nomenclature Changes .....	1506-AA61
2448	Imposition of Special Measures Against the Commercial Bank of Syria as a Financial Institution of Primary Money Laundering Concern .....	1506-AA64
2449	Imposition of Special Measure Against First Merchant Bank OSH Ltd, Incl. its Subsidiaries, FMB Finance Ltd, First Merchant International Inc, First Merchant Finance Ltd, and First Merchant Trust Ltd .....	1506-AA65
2450	Imposition of Special Measure against Infobank as a Financial Institution of Primary Money Laundering Concern ..	1506-AA67
2451	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Mutual Funds .....	1506-AA68
2452	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Insurance Companies .....	1506-AA70
2453	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Investment Advisors .....	1506-AA71
2454	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Financial Institutions .....	1506-AA72
2455	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Money Services Businesses .....	1506-AA74

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## Financial Crimes Enforcement Network—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2456	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Commodity Trading Advisors .....	1506-AA75
2457	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Operators of a Credit Card System .....	1506-AA76
2458	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Unregistered Investment Companies .....	1506-AA77
2459	31 CFR 103.65 Amendments to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Dealers in Precious Metals, Stones, or Jewels .....	1506-AA78

## Financial Crimes Enforcement Network—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2460	31 CFR 103 Amendments to the Bank Secrecy Act Regulations—Special Reporting and Recordkeeping Requirements—Money Services Businesses (MSBs) .....	1506-AA19

## Financial Management Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2461	31 CFR 245 Claims on Account of Treasury Checks .....	1510-AA51

## Financial Management Service—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2462	31 CFR 256 Payments Under Judgment and Private Relief Acts .....	1510-AA52
2463	31 CFR 285.5 Offset of Federal Payments (Other Than Tax Refund and Federal Benefit Payments) To Collect Past-Due, Legally Enforceable Nontax Debt .....	1510-AA65
2464	31 CFR 285.7 Salary Offset .....	1510-AA70
2465	31 CFR 285.8 Offset of Tax Refund Payment To Collect State Income Tax Obligations .....	1510-AA78
2466	31 CFR 901.9 Federal Claims Collection Standard—Collection by Installments .....	1510-AA91
2467	Indorsement and Payment of Checks Drawn on the U.S. Treasury .....	1510-AA99
2468	Federal Government Participation in the ACH .....	1510-AB00
2469	Payment of Federal Taxes and the Treasury Tax and Loan Program .....	1510-AB01

## Financial Management Service—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2470	31 CFR 285.6 Offset of Federal Payments (Other Than Tax Refund and Federal Benefit Payments) To Collect Past-Due Debts Owed to States (Other Than Child Support) .....	1510-AA66
2471	31 CFR 285.14 Public Dissemination of Identity of Delinquent Debtors .....	1510-AA72
2472	31 CFR 223 Surety Bond Reimbursement Fund .....	1510-AA85

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## Financial Management Service—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2473	31 CFR 281 Foreign Exchange Operations .....	1510-AA48
2474	31 CFR 206 Management of Federal Agency Receipts and Disbursements; Operation of the Cash Management Improvement Fund .....	1510-AA86
2475	31 CFR 215 Withholding of District of Columbia, State, City, and County Income, or Employment Taxes by Federal Agencies .....	1510-AA90
2476	Payment of Federal Taxes and the Treasury Tax and Loan Program .....	1510-AA96
2477	Federal Government Participation in the Automated Clearing House (ACH) .....	1510-AA97
2478	Federal Government Participation in the Automated Clearing House (ACH) .....	1510-AA98

## Alcohol and Tobacco Tax and Trade Bureau—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2479	27 CFR 4 Prohibition of Alcohol Beverage Containers and Standard of Fill for Distilled Spirits and Wine .....	1513-AA07
2480	Availability of Information .....	1513-AA98
2481	27 CFR 270 Determination of Tax and Recordkeeping on Large Cigars .....	1513-AA16
2482	27 CFR 19, subpart W Proposed Revisions to the Distilled Spirits Plant Regulations .....	1513-AA23
2483	27 CFR 44 Regulatory Changes From Customs Service Final Rule .....	1513-AA26
2484	27 CFR 40 Shipments of Tobacco Products or Cigarette Papers or Tubes Without Payment of Tax .....	1513-AA27
2485	27 CFR 17 Tax-Paid Distilled Spirits Used in Manufacturing Products Unfit for Beverage Use .....	1513-AA37
2486	27 CFR 4 Proposed Addition of New Grape Variety Names for American Wines .....	1513-AA42
2487	27 CFR 40 Marks, Labels, Notices and Bonds for, and Removal of, Tobacco Products, and Cigarette Papers and Tubes .....	1513-AA49
2488	27 CFR 9 Petition To Establish "Santa Maria Bench" as a New American Viticultural Area .....	1513-AA51
2489	27 CFR 40 In-Transit Stops of Tobacco Products, and Cigarette Papers and Tubes Without Payment of Tax .....	1513-AA52
2490	27 CFR 9 Petition To Expand the Livermore Valley Viticultural Area .....	1513-AA54
2491	27 CFR 9 San Francisco Bay and Central Coast Viticultural Areas—Boundary Realignment/Expansion .....	1513-AA55
2492	Petition To Establish the "Fort Ross Seaview" Viticultural Area .....	1513-AA64
2493	27 CFR 9 Petition To Establish "Grand Lake O' the Cherokees" as a New American Viticultural Area .....	1513-AA66
2494	Petition No. 2 To Expand the Russian River Valley Viticultural Area .....	1513-AA67
2495	Petition To Establish the "Shawnee Hills" Viticultural Area .....	1513-AA70
2496	Proposed Amended Boundaries for the Santa Lucia Highlands and the Arroyo Seco Viticultural Area .....	1513-AA72
2497	Petition To Establish "Texoma" as a Viticultural Area .....	1513-AA77
2498	Petition To Establish the "High Valley" Viticultural Area .....	1513-AA79
2499	Proposed Establishment of Alta Mesa Viticultural Area .....	1513-AA82
2500	Proposed Establishment of the Cosumnes River Viticultural Area .....	1513-AA83
2501	Proposed Establishment of Deer Creek Hills Viticultural Area .....	1513-AA84
2502	Proposed Establishment of Mokelumne River Viticultural Area .....	1513-AA85
2503	Proposed Establishment of Jahant Viticultural Area .....	1513-AA86
2504	Proposed Establishment of Borden Ranch Viticultural Area .....	1513-AA87
2505	Proposed Establishment of Clements Hills Viticultural Area .....	1513-AA88
2506	Proposed Establishment of the Mt. Oso Viticultural Area .....	1513-AA89
2507	Proposed Establishment of Covelo Viticultural Area .....	1513-AA90
2508	Proposed Establishment of Horse Heaven Hills .....	1513-AA91
2509	Petition to Establish "Calistoga" as an American Viticultural Area .....	1513-AA92
2510	Ramona Valley Viticultural Area .....	1513-AA94
2511	Dos Rios Viticultural Area .....	1513-AA95
2512	Niagara Escarpment Viticultural Area .....	1513-AA97

## Alcohol and Tobacco Tax and Trade Bureau—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2513	27 CFR 9 Petition To Establish "Alexandria Lakes" as a New American Viticultural Area .....	1513-AA45

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## Alcohol and Tobacco Tax and Trade Bureau—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2514	Administrative Changes to Alcohol, Tobacco, and Firearms Regulations Due to the Homeland Security Act of 2002 .....	1513-AA80
2515	Removal of Tobacco Products and Cigarette Papers and Tubes, Without Payment of Tax, for United States Use in Law Enforcement Activities .....	1513-AA99
2516	27 CFR 275 Implementation of Public Law 105-33, Section 9302, Requiring the Qualification of Tobacco Product Importers and Miscellaneous Technical Amendments .....	1513-AA10
2517	27 CFR 7 Flavored Malt Beverages and Related Proposals .....	1513-AA12
2518	27 CFR 31 Liquor Dealers; Recodification of Regulations .....	1513-AA19
2519	27 CFR 24 Production of Dried Fruit and Honey Wines .....	1513-AA21
2520	27 CFR 9 Petition To Establish the "Trinity Lake" Viticultural Area .....	1513-AA29
2521	27 CFR 4 Proposal To Recognize Synonyms for Petite Sirah and Zinfandel Grape Varieties .....	1513-AA32
2522	27 CFR 9 Petition for the Establishment of "Red Hill" as an American Viticultural Area .....	1513-AA39
2523	27 CFR 9 Petition To Establish "Eola Hills" as a New American Viticultural Area .....	1513-AA41
2524	27 CFR 4 Organic Claims in Labeling and Advertising of Alcohol Beverages .....	1513-AA46
2525	27 CFR 9 Petition To Establish "Dundee Hills" as a New American Viticultural Area .....	1513-AA50
2526	27 CFR 9 Petition To Establish "Chehalem Mountains" as a New American Viticultural Area .....	1513-AA57
2527	27 CFR 9 Petition To Establish "Ribbon Ridge" as a New American Viticultural Area .....	1513-AA58
2528	27 CFR 9 Petition To Establish "Yamhill-Carlton District" as a New American Viticultural Area .....	1513-AA59
2529	27 CFR 7 Labeling and Advertising of Malt Beverages .....	1513-AA60
2530	Petition To Establish "McMinnville" as an American Viticultural Area in Oregon .....	1513-AA63
2531	Petition To Establish "Southern Oregon" as a Viticultural Area .....	1513-AA75
2532	Materials Authorized for the Treatment of Wine and Juice; Processes Authorized for the Treatment of Wine, Juice, and Distilling Material .....	1513-AA96

## Alcohol and Tobacco Tax and Trade Bureau—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2533	27 CFR 252 Exportation of Liquors .....	1513-AA00
2534	27 CFR 24.278 Implementation of Wine Credit Provisions of Public Law 104-188 .....	1513-AA05
2535	27 CFR 24.66 Implementation of Public Law 105-34, Section 1416, Relating to Refund of Tax for Domestic Wine Returned to Bond Regardless of Merchantability (Taxpayer Relief Act of 1997) .....	1513-AA06
2536	27 CFR 4 Amended Standard of Identity for Sherry .....	1513-AA08
2537	27 CFR 275 Prohibited Marks on Packages of Tobacco Products and Cigarette Papers and Tubes Imported or Brought into the United States .....	1513-AA14

## Alcohol and Tobacco Tax and Trade Bureau—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2538	27 CFR 7 Revision of Brewery Regulations and Issuance of Regulations for Taverns on Brewery Premises (Brewpubs) .....	1513-AA02
2539	27 CFR 4.32(d) Removal of Requirement To Disclose Saccharin in the Labeling of Wine, Distilled Spirits, and Malt Beverages .....	1513-AA15
2540	27 CFR 275 Tobacco Products and Cigarette Papers and Tubes Shipped from Puerto Rico to the United States ..	1513-AA17
2541	27 CFR 270 Elimination of Statistical Classes for Large Cigars .....	1513-AA18
2542	27 CFR 41 Importation of Tobacco Products and Cigarette Papers and Tubes; Recodification of Regulations .....	1513-AA20
2543	27 CFR 9 Petition To Establish the "Santa Barbara Highlands" Viticultural Area .....	1513-AA24
2544	27 CFR 9 Proposed "San Bernabe" Viticultural Area .....	1513-AA28
2545	27 CFR 9 Petition To Establish "Red Hills Lake County" American Viticultural Area .....	1513-AA33
2546	31 CFR 8 Eliminate Requirement To Enroll To Practice Before the Bureau .....	1513-AA62
2547	Petition To Establish the "Alexander Mountain" Viticultural Area .....	1513-AA65
2548	Petition To Establish the "Salado Creek" Viticultural Area .....	1513-AA69
2549	Removal of Requirement To Disclose Saccharin in the Labeling of Wine, Distilled Spirits, and Malt Beverage .....	1513-AA93

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## Comptroller of the Currency—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2550	Recordkeeping Requirements for Bank Exceptions From Securities Broker or Dealer Registration .....	1557-AB93
2551	12 CFR 25 Community Reinvestment Act Regulation (12 CFR 25) .....	1557-AB98
2552	12 CFR 4 Rules, Policies, and Procedures for Corporate Activities; Licensing Procedures .....	1557-AC79
2553	Identity Theft Detection, Prevention, and Mitigation Program for Financial Institutions and Creditors .....	1557-AC87
2554	Implementation of a Revised Basel Capital Accord (Basel II) ( <b>Reg Plan Seq No. 113</b> ) .....	1557-AC91

References in boldface appear in the Regulatory Plan in part II of this issue of the **Federal Register**.

## Comptroller of the Currency—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2555	Electronic Filing and Disclosure of Beneficial Ownership Reports .....	1557-AC75
2556	Rules, Policies, and Procedures for Corporate Activities; Operating Subsidiary Annual Report .....	1557-AC81
2557	12 CFR 19.240 Rules, Policies, and Procedures for Corporate Activities; Civil Monetary Penalties Adjustment .....	1557-AC82
2558	12 CFR 30 app B Proper Disposal of Consumer Information .....	1557-AC84
2559	Fair Credit Reporting Regulations; Use of Medical Information; FACT Act .....	1557-AC85
2560	Fair Credit; Affiliate Marketing Regulations .....	1557-AC88
2561	Securities Borrowing Transactions .....	1557-AC90
2562	Interagency Guidance on Response Programs for Unauthorized Access to Customer Information and Customer Notice .....	1557-AC92

## Comptroller of the Currency—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2563	Interagency Proposal To Consider Alternative Forms of Privacy Notices Under the Gramm-Leach-Bliley Act .....	1557-AC80
2564	Community Reinvestment Act Regulations .....	1557-AC86
2565	Accuracy and Integrity of Information Furnished to a Consumer Reporting Agency .....	1557-AC89

## Comptroller of the Currency—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2566	Fair Credit Reporting Regulations .....	1557-AB78
2567	12 CFR 19 Maintenance of Records .....	1557-AB99
2568	12 CFR 5 Rules, Policies, and Procedures for Corporate Activities .....	1557-AC11
2569	Risk-Based Capital; Capital Adequacy Guidelines; Capital Maintenance: Interim Capital Treatment of Consolidated Asset-Backed Commercial Paper Program Assets .....	1557-AC76
2570	Lending Limits Pilot Program .....	1557-AC83

## Internal Revenue Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2571	Foreign Insurance Companies .....	1545-AL82
2572	Computation of a Branch's Taxable Income; Taxation of Exchange Gain or Loss on Branch Remittances .....	1545-AM12
2573	Outbound Transfers of Property to Foreign Corporations .....	1545-AM97
2574	Foreign Insurance Company—Domestic Election .....	1545-AO25
2575	Taxation of Global Trading .....	1545-AP01
2576	Information Reporting and Record Maintenance .....	1545-AP10
2577	Integrated Financial Transaction .....	1545-AR20



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## Internal Revenue Service—Proposed Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2578	Foreign Trusts Regulations .....	1545-AR25
2579	Treatment of Dual Consolidated Losses .....	1545-AR26
2580	Application of Attribution Rules to Foreign Trusts .....	1545-AU91
2581	Agreements for Payment of Tax Liabilities in Installments .....	1545-AU97
2582	Rules for Sourcing Certain Transportation Income, Space, or Ocean Activity Income, and Related Foreign Base Company Shipping Income .....	1545-AX02
2583	Inspection of Written Determinations .....	1545-AX40
2584	Cash or Deferred Arrangements (Temporary) .....	1545-AX43
2585	Awarding of Costs and Certain Fees .....	1545-AX46
2586	Highly Compensated Employee .....	1545-AX48
2587	Modification to Section 367(a) Stock Transfer Regulations .....	1545-AX77
2588	Definition of Passive Foreign Investment Company Under Section 1297 .....	1545-AX78
2589	Clarification of Foreign-Based Company Sales Income Rules .....	1545-AX91
2590	Guidance on Changes to the Laws for Corporate Estimated Taxes .....	1545-AY22
2591	Withholding Tax on Foreign Partners' Share of Effectively Connected Income .....	1545-AY28
2592	Taxable Years of Controlled Foreign Corporations (CFCs) and Foreign Personal Holding Companies (FPHCs) .....	1545-AY30
2593	Special Rules Relating to Transfers of Intangibles to Foreign Corporations .....	1545-AY41
2594	Previously Taxed Earnings and Profits Under Subpart F .....	1545-AY54
2595	Liabilities Assumed in Certain Corporate Transactions .....	1545-AY74
2596	Disclosure of Returns and Return Information in Judicial and Administrative Tax Proceedings .....	1545-AY89
2597	Transitional Relief for Qualified Intermediaries .....	1545-AY92
2598	Transactions Involving Obligations of Consolidated Group Members .....	1545-BA11
2599	Deductibility of Employer Contributions for Deferred Compensation .....	1545-BA13
2600	Gasoline Tax Claims .....	1545-BA27
2601	Suspension of Statutes of Limitation in John Doe and Third-Party Summons Disputes, and Expansion of Taxpayers' Rights to Receive Notice and Seek Judicial Review of Third Party Summonses .....	1545-BA31
2602	Income From Sources Within Specified Possession .....	1545-BA37
2603	Treatment of Certain Obligation-Shifting Transactions .....	1545-BA41
2604	Multifamily Housing Bonds .....	1545-BA45
2605	Allocation and Apportionment Rules: Guidance on Selected Issues .....	1545-BA64
2606	Provisions Regarding Cross-Border Transactions .....	1545-BA65
2607	Circular 230—Phase 2 Nonshelter Revisions .....	1545-BA72
2608	Allocation of New Markets Tax Credit .....	1545-BA84
2609	Guidance To Facilitate Electronic Tax Administration .....	1545-BA96
2610	Timely Mailing Treatment .....	1545-BA99
2611	Communications Excise Tax; Taxable Communication Services .....	1545-BB04
2612	Cost Sharing .....	1545-BB26
2613	Application of Separate Limitations to Dividends From Noncontrolled Section 902 Corporation .....	1545-BB28
2614	Amending the Low-Income Housing Tax Credit Program .....	1545-BB37
2615	Substitute Dividend Payments in Securities Lending and Similar Transactions .....	1545-BB56
2616	Loss Limitation Rules—General Utilities Repeal .....	1545-BB61
2617	Safe Harbor Leasing Second Interest Capitalization .....	1545-BB62
2618	Contributions To Purchase Certain Retirement Annuities or Custodial Accounts Under Section 403(b) .....	1545-BB64
2619	Liquidation of an Interest .....	1545-BB71
2620	REMIC Residuals—Timing of Income for Foreign Holders .....	1545-BB84
2621	Predecessors or Successors Under Section 355(e) .....	1545-BB85
2622	Dependent Care Credit .....	1545-BB86
2623	Guidance Regarding Mark-to-Market Valuation for Certain Securities .....	1545-BB90
2624	Partnership Equity for Services .....	1545-BB92
2625	Determination of Single-Sum Distributions From Cash Balance Plans .....	1545-BB93
2626	Accrual for Certain REMIC Regular Interests .....	1545-BB94
2627	Miscellaneous Changes to Collection Due Process Procedures Relating to Notice and Opportunity for Hearing Upon Filing of Notice of Lien .....	1545-BB96
2628	Miscellaneous Changes to Collection Due Process Procedures Relating to Hearings Before Levy .....	1545-BB97
2629	General Allocation and Accounting Regulations .....	1545-BC07
2630	Utility Allowance Regulation Update .....	1545-BC22
2631	Guidance Regarding Application of Section 265(a)(2) and 246A in Transactions Involving Related Parties, Pass-Through Entities, or Other Intermediaries .....	1545-BC24
2632	Guidance on PFIC Purging Elections .....	1545-BC37

## TREAS

## Internal Revenue Service—Proposed Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2633	Additional Guidance Regarding Mark-to-Market Accounting for Traders in Securities and/or Commodities, Including Foreign Currency Instruments .....	1545-BC48
2634	Stewardship Expenses .....	1545-BC52
2635	Coordination of United States and Certain Possessions Income Taxes .....	1545-BC54
2636	Guidance Under Section 2053 Regarding Post-Death Events .....	1545-BC56
2637	Guidance Under Section 707 Regarding Disguised Sales .....	1545-BC63
2638	Collection After Assessment .....	1545-BC72
2639	Below-Market Loans .....	1545-BC78
2640	Information Reporting Relating to Taxable Stock Transactions .....	1545-BC80
2641	Definition of Loss for Purposes of the Straddle Rules .....	1545-BC83
2642	Determination of Residency in U.S. Possessions .....	1545-BC86
2643	Transactions Involving the Transfer of No Net Equity Value .....	1545-BC88
2644	Payments in the Nature of Workers Compensation .....	1545-BC89
2645	Disclosures to Subcontractors .....	1545-BC92
2646	Revision of Section 301.6103(j)-1 for Disclosure to the Bureau of Economic Analysis, Department of Commerce ...	1545-BC93
2647	Guidance Regarding the Active Trade or Business Requirement Under Section 355(b) .....	1545-BC94
2648	Accumulated Adjustment Account and Other Corporate Separations Under Section 355 .....	1545-BC98
2649	Attained Age of the Insured .....	1545-BD00
2650	Support Test in the Case of a Child of Divorced Parents .....	1545-BD01
2651	Dual Consolidated Loss Regulations .....	1545-BD10
2652	Current Liability Interest Rate Under Section 412(b)(5) .....	1545-BD13
2653	Definition of Qualified Foreign Corporation .....	1545-BD15
2654	Move and Update the Estimated Tax Regulations .....	1545-BD17
2655	REMIC Interest-Only Regular Interests .....	1545-BD18
2656	Escrow Accounts, Trusts, and Other Funds Used During Deferred Exchanges of Like-Kind Property .....	1545-BD19
2657	Section 42 Qualified Contract Provisions .....	1545-BD20
2658	Payments for Which No Return of Information is Required Under Section 6041 .....	1545-BD21
2659	Interest on Large Corporate Underpayments Under Section 6621 (c) .....	1545-BD22
2660	Guidance on Phased Retirement .....	1545-BD23
2661	Definition of Disqualified Person .....	1545-BD28
2662	Requirements for Reorganizations .....	1545-BD31
2663	Underpayment for Qualified Amended Returns .....	1545-BD40
2664	Application of Sections 304(b)(6) and 367 in Cross Border Section 304 Transactions .....	1545-BD46
2665	Salary Reduction Agreement Under Section 312(a)(5)(D) (Temporary) .....	1545-BD50
2666	HIPAA Portability: Special Enrollment Procedures, Tolling, and Interaction with FMLA .....	1545-BD51
2667	Update of 415 Regulations .....	1545-BD52
2668	Guidance Under Section 1502; Miscellaneous Operating Rules for Successor Persons; Applicability of Section 381 .....	1545-BD54
2669	Aggregate Computation; Allocation of Research Credit II .....	1545-BD60
2670	Classification of Indian Tribal Corporations .....	1545-BD61
2671	Mandatory e-Filing for Forms 1120 .....	1545-BD65
2672	REMIC Residuals-Foreign Holders (Temporary) .....	1545-BD66
2673	Declaratory Judgment—Gift Tax Value .....	1545-BD67
2674	Use of Electronic Technologies for Providing Notices and Transmitting Elections and Consents .....	1545-BD68
2675	Disabled Access Credit .....	1545-BD69
2676	Section 704(b)(2) and Substantiality .....	1545-BD70
2677	Regulations Under Section 706 Regarding Taxable Year of a Partnership .....	1545-BD71
2678	Shareholder's Basis in Stock of an S Corporation .....	1545-BD72
2679	Guidance Under Section 707(c) Regarding Guaranteed Payments .....	1545-BD74
2680	Guidance Under Section 368 Regarding Mergers With and Into a Foreign Corporation .....	1545-BD76
2681	Classification of Certain Foreign Entities .....	1545-BD77
2682	Classification of Certain Foreign Entities (Temporary) .....	1545-BD78
2683	Possible Update and Revision of Treasury Regulation Sections 1.381(c)(4) and (5)-1 .....	1545-BD81
2684	Amendments to 26 CFR Section 1.263(a)-5 Regarding Treatment of Capitalized Costs .....	1545-BD82
2685	Guidance Regarding Selected Issues Under Section 336(e) .....	1545-BD84
2686	Guidance Under Section 79 .....	1545-BD85
2687	Definition of the "Due Date" for Purposes of Calculating Overpayment Interest Under Section 301.6611(h) .....	1545-BD86

## TREAS

## Internal Revenue Service—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2688	Foreign Corporations .....	1545-AK74
2689	Nonrecognition of Corporate Distributions and Reorganizations Under the Foreign Investment in Real Property Tax Act .....	1545-AK79
2690	Registration Required Obligations .....	1545-AP33
2691	Interest-Free Adjustments .....	1545-AQ61
2692	Definition of "Highly Compensated Employee" .....	1545-AQ74
2693	Escrow Funds and Other Similar Funds .....	1545-AR82
2694	Mark-to-Market Upon Disposition .....	1545-AS85
2695	Straddles—Miscellaneous Issues .....	1545-AT46
2696	Definition of Private Activity Bond—Refunding Regulations .....	1545-AU98
2697	Return of Levied Property in Certain Cases .....	1545-AV01
2698	Electronic Transmission of Withholding Certificates .....	1545-AV27
2699	Mark-to-Market Accounting for Dealers in Commodities and Traders in Securities and Commodities .....	1545-AW06
2700	Intercompany Obligations .....	1545-AW30
2701	Capital Gain Guidance Relating to CRTs .....	1545-AW35
2702	Reporting of Payments to Attorney .....	1545-AW72
2703	Highway Vehicle—Definition .....	1545-AX10
2704	Guidance on Cost Recovery in the Entertainment Industry .....	1545-AX12
2705	Cash or Deferred Arrangements .....	1545-AX26
2706	Stock Transfer Rules—Carryover of Earnings and Taxes .....	1545-AX65
2707	Allocation and Apportionment of Interest Expense and Certain Other Expenses .....	1545-AX72
2708	HIPAA Portability .....	1545-AX84
2709	Capitalization of Interest and Carrying Charges Properly Allocable to Straddles .....	1545-AX92
2710	Assumption of Partnership Liabilities .....	1545-AX93
2711	Authorized Placement Agency .....	1545-AY18
2712	HIPAA General Nondiscrimination .....	1545-AY32
2713	HIPAA Nondiscrimination Exception for Church Plans .....	1545-AY33
2714	HIPAA Nondiscrimination Exception for Bona Fide Wellness Programs .....	1545-AY34
2715	Information Reporting on Cancellation of Indebtedness .....	1545-AY35
2716	Allocation of Income and Deductions from Intangibles .....	1545-AY38
2717	Guidance Under Section 355(e); Recognition of Gain on Certain Distributions of Stock or Securities in Connection With an Acquisition .....	1545-AY42
2718	Election—Asset Acquisitions of Insurance Companies .....	1545-AY49
2719	Tax Treatment of Cafeteria Plans .....	1545-AY67
2720	Normalization .....	1545-AY75
2721	New Market Tax Credit .....	1545-AY87
2722	Reductions of Accruals and Allocations Because of Increased Age .....	1545-BA10
2723	Property Exempt from Levy .....	1545-BA22
2724	Amendment to the Definition of Refunding .....	1545-BA46
2725	Loss Limitation Rules .....	1545-BA52
2726	Modification of Check the Box Regulations .....	1545-BA59
2727	Circular 230—Tax Shelter Amendments .....	1545-BA70
2728	Carryback of Consolidated Net Operating Losses to Separate Return Years .....	1545-BA73
2729	Redemptions Treated as Dividends .....	1545-BA80
2730	Reporting Requirements for Widely Held Fixed Investment Trusts .....	1545-BA83
2731	Guidance on Reporting of Deposit Interest Paid to Nonresident Aliens .....	1545-BA86
2732	Aggregate Computation and Allocation of Research Credit .....	1545-BA88
2733	Designated IRS Officer or Employee .....	1545-BA89
2734	Allocation of Foreign Tax Credits Among Partners .....	1545-BB11
2735	Distributions of Property .....	1545-BB12
2736	Testimony Authorizations and Requests for IRS Information .....	1545-BB15
2737	Toll Telephone Service—Definition .....	1545-BB18
2738	Authorization for IRS To Charge Fees For Copying Exempt Organization Returns .....	1545-BB21
2739	Duplicative Tax Benefits .....	1545-BB25
2740	Extension of Time for Filing Returns .....	1545-BB29
2741	Treatment of Services Under Section 482 .....	1545-BB31
2742	Investment Adjustment Rules and Waiver of Loss Carryovers From SRLY Years—Amended .....	1545-BB38
2743	Limitation on Use of Nonaccrual Experience Method of Accounting .....	1545-BB43
2744	Election Out Generation-Skipping Transfer Tax (GST) Deemed Allocations .....	1545-BB54

## TREAS

## Internal Revenue Service—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2745	Special Depreciation Allowance .....	1545-BB57
2746	Information Reporting Relating to Taxable Stock Transactions .....	1545-BB60
2747	Use of Government Depositories in Connection With Tax Under the Federal Unemployment Tax Act .....	1545-BB66
2748	Use of Government Depositories in Connection With Tax Under the Federal Unemployment Tax Act (Temporary) .....	1545-BB67
2749	Qualified Interests .....	1545-BB72
2750	Collected Excise Taxes; Duties of Collector .....	1545-BB75
2751	Guidance on Life Insurance and Annuity Contracts .....	1545-BB77
2752	Application of Nondiscrimination Cross-Testing Rules To Cash Balance Plans .....	1545-BB79
2753	Notional Principal Contracts; Contingent Nonperiodic Payments .....	1545-BB82
2754	New Markets Tax Credit Amendments .....	1545-BC03
2755	Tax Exempt Bond Partnership Reporting Regulation .....	1545-BC04
2756	Determination of Basis of Securities Received in Exchange or With Respect to a Stock or Securities in Certain Transactions .....	1545-BC05
2757	Entry of Taxable Fuel .....	1545-BC08
2758	Notarization Requirement for Statements of Purchase .....	1545-BC11
2759	Timing and Modification of the Section 59(e) Election .....	1545-BC13
2760	Guidance Necessary To Facilitate Business Electronic Filing .....	1545-BC15
2761	Contingent at Closing Escrows .....	1545-BC16
2762	Changes in Computing Depreciation .....	1545-BC18
2763	Value of Life Insurance When Distributed From a Qualified Retirement Plan .....	1545-BC20
2764	Special Consolidated Return Rules for Interest Expense Disallowed Under Section 265(a)(2) .....	1545-BC23
2765	Section 411(d)(6) Protected Benefits .....	1545-BC26
2766	Single Determination of Tax for Multiple Pools of Assets of an S Corporation .....	1545-BC29
2767	Deemed Corporate Election for Electing S Corporations .....	1545-BC32
2768	Prohibited Allocation of Securities in an S Corporation .....	1545-BC34
2769	Elimination of Forms of Distribution in Defined Contribution Plans .....	1545-BC35
2770	Guidance Under Section 1502; Application of Section 108 to Members of a Consolidated Group .....	1545-BC38
2771	Substitute for Return (SFR) and Automated Substitute for Return (ASFR) (Temporary) .....	1545-BC46
2772	Guidance on PFIC Purging Elections .....	1545-BC49
2773	Qualified Severance Regulations .....	1545-BC50
2774	Suspension of Running of Period of Limitation During a Proceeding To Enforce or Quash a Designated or Related Summons .....	1545-BC55
2775	Guarantee Fees Under Section 143(g) .....	1545-BC59
2776	Predeceased Parent Rule .....	1545-BC60
2777	Qualified Zone Academy Bonds; Obligations of States and Political Subdivisions .....	1545-BC61
2778	Section 1045 Application to Partnerships .....	1545-BC67
2779	Section 179 Elections .....	1545-BC69
2780	Real Estate Mortgage Investment Conduit (REMIC) Tetra Rules .....	1545-BC71
2781	Guidance Under Section 1502; Application of Section 108 to Members of a Consolidated Group .....	1545-BC74
2782	Student FICA Guidance .....	1545-BC81
2783	Exclusion of Employees of 501(c)(3) Organization in 401(k) and 401(m) Plans .....	1545-BC87
2784	Guidance Under Section 1502; Application of Section 108 to Members of a Consolidated Group; Computation of Taxable Income When Section 108 Applies to a Member of a Consolidated Group .....	1545-BC95
2785	Solid Waste Disposal Facilities .....	1545-BD04
2786	Treatment of Foreign Stapled Corporation (Temporary) .....	1545-BD06
2787	Deemed IRAs in Governmental Plans/Qualified Nonbank Trustee Rules .....	1545-BD07
2788	Public Inspection of Written Determinations Under Section 6110 of the Internal Revenue Code (Temporary) .....	1545-BD09
2789	Current Liability Interest Rate Under Section 412(b)(5) (Temporary) .....	1545-BD14
2790	Time and Manner of Making Section 163 (d)(4)(B) Election To Treat Qualified Dividend Income as Investment Income .....	1545-BD16
2791	Coordination of United States and Certain Possessions Income Taxes (Temporary) .....	1545-BD32
2792	Guidance on PFIC Purging Elections (Temporary) .....	1545-BD33
2793	LIFO Recapture Under Section 1363(d) .....	1545-BD34
2794	Clarification of Definitions .....	1545-BD37
2795	Underpayment for Qualified Amended Returns (Temporary) .....	1545-BD42
2796	Allocation and Apportionment of Deductions for Charitable Contributions (Temporary) .....	1545-BD47
2797	Treatment of Disregarded Entities Under Section 752 .....	1545-BD48
2798	Section 951 Pro Rata Rules .....	1545-BD49
2799	Continuity of Interest/Stock Fluctuation .....	1545-BD53

## TREAS

## Internal Revenue Service—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
2800	Manufacturer Incentive Payments in an Intercompany Transaction .....	1545-BD55
2801	Source of Compensation for Labor or Personal Services .....	1545-BD62
2802	Removal of Section 6661 Regulations .....	1545-BD75
2803	Special Rules To Reduce Section 1446 Withholding (Temporary) .....	1545-BD80

## Internal Revenue Service—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2804	Income Tax—Taxpayer's Obligation To File a Notice of Redetermination of Foreign Tax and Civil Penalties for Failure To File .....	1545-AC09
2805	Income Tax—Definition of Qualified Possession Source Investment Income for Purposes of Puerto Rico and Possession Tax Credit .....	1545-AC10
2806	FSC Transfer Pricing Rules, Distributions, Dividends Received, Deduction, and Other Special Rules for FSC .....	1545-AI16
2807	Information From Passport and Immigration Applicants .....	1545-AJ93
2808	Income of Foreign Governments and International Organizations .....	1545-AL93
2809	Clarification of Treatment of Separate Limitation Losses .....	1545-AM11
2810	Earnings and Profits of Controlled Foreign Corporations .....	1545-AM90
2811	Caribbean Basin Investments .....	1545-AM91
2812	Consolidated Alternative Minimum Tax .....	1545-AN73
2813	Conforming Taxable Years of CFCs and FPHCs .....	1545-AO22
2814	Earnings Stripping Payments .....	1545-AO24
2815	Fringe Benefit Sourcing Under Section 861 .....	1545-AO72
2816	Guidance in Notice 89-37, Which Treats the Receipt of a Corporate Partner's Stock by the Corporate Partner as a Circumvention of General Utilities Repeal .....	1545-AP52
2817	Use of GAAP Earnings as E&P of Foreign Corporations .....	1545-AQ55
2818	The Treatment of Accelerated Death Benefits .....	1545-AQ70
2819	Allocation of Accrued Benefits Between Employer and Employee Contributions .....	1545-AT82
2820	Foreign Corporations Regulations .....	1545-AT96
2821	Application of Grantor Trust Rules to Nonexempt Employees' Trust .....	1545-AU29
2822	Recomputation of Life Insurance Reserves .....	1545-AU49
2823	Source Rules for Payments Made Pursuant to Certain Swap Arrangements .....	1545-AU89
2824	Financial Asset Securitization Investment Trust (FASIT) Start-Up; Operational and Transitional Rules .....	1545-AU94
2825	Substantiating Travel Expense Deductions for Members of Congress .....	1545-AV55
2826	Stocks and Securities Safe Harbor Exception .....	1545-AW13
2827	Transportation of Persons and Property by Air .....	1545-AW19
2828	Source of Income From Certain Space and Ocean Activities and for Communications Income .....	1545-AW50
2829	Constructive Sales of Appreciated Financial Positions .....	1545-AW97
2830	Definition of Accounting Method .....	1545-AX21
2831	Dollar-Value LIFO .....	1545-AY39
2832	Special Rules for S Corporations .....	1545-AY44
2833	Normal Retirement Age for Pension Plans .....	1545-AY61
2834	Payments For Interest in Partnership .....	1545-AY90
2835	Mergers Involving Disregarded Entities .....	1545-BA06
2836	Consolidated Returns; Nonapplicability of Section 357(c) .....	1545-BA09
2837	Noncompensatory Partnership Options .....	1545-BA53
2838	Earnings and Profits Attribution Principles .....	1545-BA93
2839	Investigative Disclosures .....	1545-BB16
2840	Mixed Use Output Facilities .....	1545-BB23
2841	Accrual Rules for Creditable Foreign Taxes and Guidance on Change in Taxable Year .....	1545-BB27
2842	Amendment to Section 6724 Relating to Failure To File Correct Information Returns .....	1545-BB41
2843	Installment Obligations .....	1545-BB65
2844	Corporate Reorganizations: Continuity Transfers of Assets or Stock Following a Reorganization .....	1545-BB80
2845	Substitute for Return (SFR) and Automated Substitute for Return (ASFR) .....	1545-BC45
2846	Partnerships and Deemed Dispositions of Unrealized Receivables and Inventory Items .....	1545-BC65
2847	Regulations Governing the Performance of Actuarial Services Under the Employee Retirement Income Security Act of 1974 .....	1545-BC82

## TREAS

## Internal Revenue Service—Long-Term Actions (Continued)

Sequence Number	Title	Regulation Identifier Number
2848	Treatment of Foreign Stapled Corporation .....	1545-BD05
2849	Stock Held by Foreign Insurance Companies .....	1545-BD27
2850	Brief Asset Holding Period (Temporary) .....	1545-BD38
2851	Brief Asset Holding Period .....	1545-BD39
2852	Transfers of Restricted Stock .....	1545-BD44
2853	Transfers of Restricted Stock (Temporary) .....	1545-BD45
2854	Asset Transfers Following Putative Reorganizations .....	1545-BD56
2855	Guidance Under Section 6501(c)(1) Regulations .....	1545-BD73

## Internal Revenue Service—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2856	Charitable Contributions .....	1545-AP30
2857	Foreign Tax Credit Anti-Abuse Regulation .....	1545-AV97
2858	Interest on Education Loans .....	1545-AW01
2859	Contingent Debt Instrument .....	1545-AW33
2860	Delay Rental Payments .....	1545-AX06
2861	Application of Separate Foreign Tax Credit Limitations .....	1545-AX88
2862	Procurement/Purchasing Card Reporting .....	1545-BA17
2863	Application of the Federal Insurance Contributions Act, Federal Unemployment Tax Act, and Collection of Income Tax at Source to Statutory Stock Options .....	1545-BA26
2864	Required Distributions from Retirement Plans .....	1545-BA60
2865	Interest Other Than That of a Creditor .....	1545-BA69
2866	Statutory Options .....	1545-BA75
2867	Disclosure of Relative Value of Distribution Forms .....	1545-BA78
2868	Partnership Transactions Involving Long-Term Contracts .....	1545-BA81
2869	Transfer of Notes or Stock To Provide for Satisfaction of Contested Liabilities .....	1545-BA90
2870	Place for Filing .....	1545-BB00
2871	Reduced Exclusion of Gain From Sale or Exchange of Principal Residence .....	1545-BB01
2872	Change in Use; Accelerated Cost Recovery System .....	1545-BB05
2873	Capital Account Bookup .....	1545-BB10
2874	Excise Tax Relating To Structured Settlement Factoring Transactions .....	1545-BB14
2875	Advance Rentals .....	1545-BB44
2876	Administrative Simplification of 481(a) Adjustment Periods in Various Regulations .....	1545-BB47
2877	Deemed IRAs in Qualified Retirement Plans .....	1545-BB58
2878	Deemed IRAs in Qualified Retirement Plans (Temporary) .....	1545-BB59
2879	Safe Harbor Leasing Second Interest Capitalization (Temporary) .....	1545-BB63
2880	Availability of Section 338(h)(10) Election in Multistep Transactions .....	1545-BB68
2881	Collected Excise Taxes; Duties of Collector (Temporary) .....	1545-BB76
2882	Reduction of Tax Attributes Due To Discharge of Indebtedness Income .....	1545-BB98
2883	Transfers of Nonstatutory Stock Options to Related Persons .....	1545-BC06
2884	Preservation of Stock Basis .....	1545-BC28
2885	Depreciation of Vans and Light Trucks .....	1545-BC36
2886	Remedial Actions for Tax Exempt Bonds .....	1545-BC40
2887	LIFO Recapture Under Section 1362(d) .....	1545-BC66
2888	NIMCRUT Valuation Regulations .....	1545-BC85
2889	Electronic Filing of Duplicate Forms 5472 .....	1545-BD03
2890	Deemed IRAs in Governmental Plans/Qualified Nonbank Trustee Rules (Temporary) .....	1545-BD08
2891	Transitional Rule for Vested Accrued Vacation Pay (Temporary) .....	1545-BD12
2892	Deemed Corporate Election for Electing S Corporations (Temporary) .....	1545-BD24
2893	Section 1031 Transition to NAICS .....	1545-BD25
2894	Section 1031 Transition to NAICS (Temporary) .....	1545-BD26
2895	Entry of Taxable Fuel (Temporary) .....	1545-BD29
2896	Time and Manner of Making Section 163(d)(4)(B) Election To Treat Qualified Dividend Income as Investment Income .....	1545-BD30
2897	Clarification of Definitions (Temporary) .....	1545-BD43

**TREAS**

## Internal Revenue Service—Completed Actions (Continued)

Sequence Number	Title	Regulation Identifier Number
2898	Guidance Under Section 1502; Waiver of Loss Carryover From Separate Return Limitation Years .....	1545-BD58
2899	Treatment of Certain Settlement Funds as Pertaining To Purchase Price Allocations in Deemed and Actual Asset Acquisitions (Temporary) .....	1545-BD59
2900	Extention of Time To Elect Method for Determining Allowable Loss .....	1545-BD63
2901	Extention of Time To Elect Method For Determining Allowable Loss (Temporary) .....	1545-BD64

## Office of Thrift Supervision—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
2902	Risk-Based Capital Guidelines; Implementation of New Basel Capital Accord .....	1550-AB56
2903	12 CFR 506 Securities-Related Activities of Savings Associations .....	1550-AB92
2904	Identity Theft Detection, Prevention, and Mitigation Program for Financial Institutions and Creditors .....	1550-AB94

## Office of Thrift Supervision—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
2905	12 CFR 568 Proper Disposal of Consumer Information Under the Fair and Accurate Credit Transactions Act of 2003 .....	1550-AB87
2906	Fair Credit Reporting Medical Information Regulations .....	1550-AB88
2907	Fair Credit Reporting Affiliate Marketing Regulations .....	1550-AB90
2908	12 CFR 506 EGRPRA Regulatory Review—Application and Reporting Requirements .....	1550-AB93

## Office of Thrift Supervision—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
2909	12 CFR 563e Community Reinvestment Act .....	1550-AB48
2910	Community Reinvestment Act Regulations (Geographies) .....	1550-AB91

## Office of Thrift Supervision—Completed Actions

Sequence Number	Title	Regulation Identifier Number
2911	12 CFR 571 Fair Credit Reporting .....	1550-AB33
2912	Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Consolidation of Asset-Backed Commercial Paper Programs and Other Related Issues .....	1550-AB79
2913	Interagency Proposal To Consider Alternative Forms of Privacy Notices Under the Gramm-Leach-Bliley Act .....	1550-AB86

**Department of the Treasury (TREAS)**  
**Departmental Offices (DO)**

Proposed Rule Stage

**2382. AMENDMENTS TO THE GOVERNMENT SECURITIES ACT REGULATIONS: EXEMPTION FOR HOLDINGS SUBJECT TO FIDUCIARY STANDARDS**
**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC

780-5(b)(1)(A); 15 USC 780-5(b)(4); 15 USC 780-5(b)(5); 31 USC 3121; 31 USC 9110

**CFR Citation:** 17 CFR 450.3**Legal Deadline:** None

**Abstract:** The proposed rule would amend the Government Securities Act regulations applicable to custodial holdings of Government securities by depository institutions. Specifically, this proposal would expand the eligibility for the exemption for holdings subject to fiduciary standards at 17 CFR part 450.3 to include savings associations examined by the Office of Thrift Supervision. The exemption is currently available to depository institutions that meet its conditions regulated by the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Board of Governors of the Federal Reserve System.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	
NPRM Comment Period End	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Lori Santamarena, Executive Director, Department of the Treasury, Room 315, Government Securities Regulations Staff, 799 9th Street NW., Washington, DC 20239  
 Phone: 202 504-3632  
 Fax: 202 504-3639  
 Email: govsecreg@bpd.treas.gov

Lee Grandy, Associate Director, Department of the Treasury, Government Securities Regulations Staff, 799 9th Street NW., Washington, DC 20239  
 Phone: 202 504-3632  
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Deidere R. Brewer, Government Securities Specialist, Department of the Treasury, Government Securities

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**RIN:** 1505-AB06
**2383. TERRORISM RISK INSURANCE PROGRAM; ADDITIONAL CLAIMS ISSUES**
**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** Terrorism Risk Insurance Act, title 1, PL 107-297, 116 Stat 2322; 15 USC 6701 note; 5 USC 301

**CFR Citation:** 31 CFR 50**Legal Deadline:** None

**Abstract:** As the statutorily authorized administrator of the Terrorism Risk Insurance Program, Treasury is issuing proposed and final regulations to implement the Program. Under the Terrorism Risk Insurance Act, title I, Public Law 107-297, and the Program, the Federal Government shares the risk of insured losses from certified acts of terrorism with commercial property and casualty insurers until the Program sunsets on December 31, 2005. This rule provides requirements for claims procedures related to the later stages of claims administration as well as secondary issues such as procedures in case of insurer insolvency.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	
NPRM Comment Period End	01/00/05	
Final Action	04/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Howard Leikin, Senior Insurance Advisor, Department of the Treasury, Office of Financial Institutions, Terrorism Risk Insurance Program, 1500 Pennsylvania Avenue NW., Washington, DC 20220  
 Phone: 202 622-6770

**RIN:** 1505-AB09
**2384. TERRORISM RISK INSURANCE PROGRAM; RECOUPMENTS OF FEDERAL SHARE OF INSURED LOSSES**
**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** Terrorism Risk Insurance Act, title 1, PL 107-297, 116 Stat 2322; 15 USC 6701 note; 5 USC 301

**CFR Citation:** 31 CFR 50**Legal Deadline:** None

**Abstract:** As the statutorily authorized administrator of the Terrorism Risk Insurance Program, Treasury is issuing proposed and final regulations to implement the Program. Under the Terrorism Risk Insurance Act, title I, Public Law 107-297, and the Program, the Federal Government shares the risk of insured losses from certified acts of terrorism with commercial property and casualty insurers until the Program sunsets on December 31, 2005. This rule incorporates and clarifies statutory requirements for the recoupment of the Federal share of compensation for insured losses. The rule establishes requirements for determining amounts to be recouped and for procedures insurers are to use for collecting terrorism loss risk-spreading premiums and remitting them to the Treasury.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/05	
NPRM Comment Period End	05/00/05	
Final Action	09/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Howard Leikin, Senior Insurance Advisor, Department of the Treasury, Office of Financial Institutions, Terrorism Risk Insurance Program, 1500 Pennsylvania Avenue NW., Washington, DC 20220  
 Phone: 202 622-6770

**RIN:** 1505-AB10
**2385. REMOTE LOCATION FILING**
**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1484; 19 USC 1624; 19 USC 1641

**CFR Citation:** 19 CFR 111; 19 CFR 113; 19 CFR 141; 19 CFR 143



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## Proposed Rule Stage

**Legal Deadline:** None

**Abstract:** Amendment to allow entry filers to electronically file entries of merchandise with the Bureau of Customs and Border Protection from locations within the United States other than at the port of arrival of the merchandise or the location of examination of the merchandise.

**Timetable:**

Action	Date	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC23

**Agency Contact:** John Leonard, Program Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-2687

**RIN:** 1505-AB20

**2386. UNIFORM RULES OF ORIGIN**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1624

**CFR Citation:** 19 CFR 102

**Legal Deadline:** None

**Abstract:** Amendment to set forth uniform rules for determining the country of origin of imported goods.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Daniel Cornette, Attorney, Special Classification and Marking Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8731

**RIN:** 1505-AB49

**2387. RECORDATION OF COPYRIGHTS AND ENFORCEMENT PROCEDURES TO PREVENT IMPORTATION OF PIRATICAL ARTICLES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 1124; 15 USC 1125; 17 USC 101; 17 USC 106; 17 USC 501; 19 USC 66; 19 USC 1499; 19 USC 1595a; 17 USC 1201(b); 18 USC 2319A;

...

**CFR Citation:** 19 CFR 133

**Legal Deadline:** None

**Abstract:** This amendment will allow CBP to be more responsive to claims of piracy. Amendment would allow sound recordings and motion pictures or similar audio-visual works to be recorded with CBP while pending registration with the U.S. Copyright Office. Amendment would also enhance the protection of all non-U.S. works by allowing recordation without requiring registration with the U.S. Copyright Office. Amendment would also set forth changes to CBP's enforcement procedures, including, among other things, enhanced disclosure provisions, protection for live musical performances and provisions to enforce the Digital Millennium Copyright Act.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Paul Pizzeck, Attorney, Intellectual Property Rights Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8710

George F. McCray, Chief, Intellectual Property Rights Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8709

**RIN:** 1505-AB51

**2388. REVISION OF OUTBOUND REDELIVERY PROCEDURES AND LIABILITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1623; 19 USC 1624

**CFR Citation:** 19 CFR 113

**Legal Deadline:** None

**Abstract:** Amendment of the condition in an international carrier bond regarding the unlawful disposition of merchandise in order to allow CBP to better control the exportation of merchandise and to have more control over demands for redelivery. Conditions of the bond would be amended to no longer require the merchandise to be labeled as seized and detained for the principal to be required to obtain permission from CBP prior to placing the merchandise on board a conveyance for export or otherwise disposing of the merchandise. Instead of the condition being applicable when CBP labels merchandise, the condition would be applicable when CBP notifies the principal either in writing or electronically that the merchandise has been seized or detained.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Robert C. Rawls, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-1926

**RIN:** 1505-AB52

**2389. CENTRALIZATION OF THE CONTINUOUS BOND PROGRAM AT THE CBP NATIONAL FINANCE CENTER**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 19 USC 1623

**CFR Citation:** 19 CFR 101; 19 CFR 113

**Legal Deadline:** None

**Abstract:** Amendment to reflect CBP's planned centralization of the continuous bond program at the

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National Finance Center (NFC). Pursuant to this centralization, all continuous bonds would be filed at the NFC via mail, fax, or in an electronic format. The NFC would assume most of the bond functions previously performed at the port level, with the noted exception that the authority to approve single transaction bonds will remain with port directors. These

changes would support CBP's bond program by ensuring an efficient and uniform approach to the approval, maintenance, and periodic review of continuous bonds.

**Timetable:**

Action	Date	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Bruce Ingalls, Chief, Collection Section, Department of the Treasury, Office of Finance, Indianapolis, IN 46278  
Phone: 317 298-1307

**RIN:** 1505-AB54

**Department of the Treasury (TREAS)  
Departmental Offices (DO)**

## Final Rule Stage

**2390. REPORTING AND PROCEDURES REGULATIONS; CUBAN ASSETS CONTROL REGULATIONS; PUBLICATION OF ECONOMIC SANCTIONS ENFORCEMENT GUIDELINES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 21 USC 1901 to 1908; 22 USC 287c; 31 USC 321(b); 50 USC 1701 to 1706; 50 USC app 1-44

**CFR Citation:** 31 CFR 501; 31 CFR 515

**Legal Deadline:** None

**Abstract:** The Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury is publishing for public comment an updated version of its internal Economic Sanctions Enforcement Guidelines. These Guidelines are being published as separate appendices to two parts of the Code of Federal Regulations: 1) general provisions are being published as an appendix to the Reporting and Procedures Regulations, 31 CFR part 501; and 2) specific provisions focusing on Cuba are being published as an appendix to the Cuban Assets Control Regulations, 31 CFR part 515.

**Timetable:**

Action	Date	FR Cite
NPRM	01/29/03	68 FR 4422
NPRM Comment Period End	03/31/03	
Final Action	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Chief of Records, Department of the Treasury, Annex-2nd Floor, Office of Foreign Assets Control, 1500 Pennsylvania Avenue NW., Washington, DC 20220  
Phone: 202 622-2530

Fax: 202 622-1657

**RIN:** 1505-AA95

**2391. COUNTRY-OF-ORIGIN MARKING**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 66; 19 USC 1202; 19 USC 1304; 19 USC 1624

**CFR Citation:** 19 CFR 134

**Legal Deadline:** None

**Abstract:** Amendments clarify the country-of-origin marking rules set forth in part 134 of the Bureau of Customs and Border Protection Regulations. Amendments promote the concept of informed compliance by the trade and proper field administration of the statutory requirement.

**Timetable:**

Action	Date	FR Cite
NPRM	01/26/00	65 FR 4193
NPRM Comment Period End	04/26/00	65 FR 17473
Final Action	03/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC32

**Agency Contact:** Monika Rice Brenner, Chief, Special Classification and Marking Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8810

Kristen VerSteege, Attorney-Advisor, Special Classification and Marking Branch, Department of the Treasury, 1300 Pennsylvania Avenue NW., Washington, DC 20229

Phone: 202 572-8832

**RIN:** 1505-AB21

**2392. EXPANDED METHODS OF PAYMENT OF DUTIES, TAXES, INTEREST, AND FEES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 197; 19 USC 198; 19 USC 58a; 19 USC 58b; 19 USC 58c; 19 USC 66; 19 USC 1202; 19 USC 1450; 19 USC 1624; 31 USC 9701

**CFR Citation:** 19 CFR 24

**Legal Deadline:** None

**Abstract:** Amendment to expand the number of ways that the Bureau of Customs and Border Protection will accept payment of duties, taxes, fees, interest, and other charges. Currently, the regulations allow for credit or charge cards, which have been authorized by the Commissioner of the Bureau of Customs and Border Protection (Commissioner), to be used at designated customs-serviced locations with a limitation that this method of payment may only be used by noncommercial entities. Amendment allows payment of duties, taxes, fees, interest, and other charges by any electronic technology or charge cards (either debit or credit cards) that are authorized by the Commissioner and by removing the limitation that these methods of payment may only be used by noncommercial entities.

**Timetable:**

Action	Date	FR Cite
NPRM	03/17/99	64 FR 13141
NPRM Comment Period End	05/17/99	
Final Action	03/00/05	

**Regulatory Flexibility Analysis Required:** No

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**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC40

**Agency Contact:** Linda Lloyd, Financial Officer, Department of the Treasury, Financial Policy Division, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-1565

**RIN:** 1505-AB22

### 2393. USER AND NAVIGATION FEES; OTHER REIMBURSABLE CHARGES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC 58a to 58c; 19 USC 66; 19 USC 1202; 19 USC 1431; 19 USC 1433; 19 USC 1434; 19 USC 1505; 19 USC 1624; 31 USC 9701; 46 USC 2110 to 2112

**CFR Citation:** 19 CFR 4; 19 CFR 24; 19 CFR 101

**Legal Deadline:** None

**Abstract:** Amendment regarding the proper assessment of user and navigation fees, as well as other reimbursement charges for customs services performed in connection with, among other things, the processing of vehicles, vessels, aircraft, and merchandise arriving in the United States. The purpose of the amendment is to conform the regulations with the intent of the customs user fee statute and to reflect existing operational policy and administrative practice in this area.

**Timetable:**

Action	Date	FR Cite
NPRM	05/01/01	66 FR 21705
NPRM Comment Period End	07/02/01	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC63

**Agency Contact:** Kimberly Nott, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-2083

**RIN:** 1505-AB24

### 2394. AFRICAN GROWTH AND OPPORTUNITY ACT AND GENERALIZED SYSTEM OF PREFERENCES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2461; 19 USC 3314; 19 USC 3721

**CFR Citation:** 19 CFR 10; 19 CFR 163

**Legal Deadline:** Final, Statutory, October 1, 2000, Public Law 106-200.

**Abstract:** Amendments to implement the trade benefit provisions for sub-Saharan Africa contained in title I of the Trade and Development Act of 2000. The trade benefits under title I, also referred to as the African Growth and Opportunity Act, apply to sub-Saharan African countries designated by the President and involve the extension of duty-free treatment under the Generalized System of Preferences (GSP) to nonimport-sensitive, nontextile articles normally excluded from GSP duty-free treatment, and the entry of specific textile and apparel articles free of duty and free of any quantitative limits.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule Effective	10/01/00	
Interim Final Rule	10/05/00	65 FR 59668
Interim Final Rule Comment Period End	12/04/00	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC72

**Agency Contact:** Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1505-AB26

### 2395. EXPANDED WEEKLY ENTRY PROCEDURE FOR FOREIGN TRADE ZONES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 81a to 81u; 19 USC 1202; 19 USC 1484i; 19 USC 1623; 19 USC 1624

**CFR Citation:** 19 CFR 146

**Legal Deadline:** None

**Abstract:** Amendment in conformance with the Trade and Development Act of 2000 to expand the weekly entry procedure for foreign trade zones to include merchandise involved in activities other than exclusively assembly-line production operations. Under the expanded weekly procedure, weekly entries covering estimated removals of merchandise from a foreign trade zone for any seven-day period and the associated entry summaries will have to be filed exclusively through the Automated Broker Interface, with duties, fees, and taxes being scheduled for payment through the Automated Clearinghouse.

**Timetable:**

Action	Date	FR Cite
NPRM	07/25/02	67 FR 48594
NPRM Comment Period End	09/23/02	
Final Action	02/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC74

**Agency Contact:** Debbie Scott, Chief, Entry and Drawback Management, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-1962

**RIN:** 1505-AB27

### 2396. UNITED STATES-CARIBBEAN BASIN TRADE PARTNERSHIP ACT AND CARIBBEAN BASIN INITIATIVE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2701; 19 USC 3314

**CFR Citation:** 19 CFR 10; 19 CFR 163

**Legal Deadline:** Final, Statutory, October 1, 2000, Public Law 106-200.

**Abstract:** Amendments to implement the trade benefit provisions for Caribbean Basin countries contained in title II of the Trade and Development Act of 2000. The trade benefits under title II, also referred to as the United States-Caribbean Basin Trade Partnership Act (the CBTPA), apply to

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Caribbean Basin countries designated by the President and involve the entry of specific textile and apparel articles free of duty and free of any quantitative restrictions, limitations, or consultation levels and the extension of NAFTA duty treatment standards to nontextile articles that are excluded from duty-free treatment under the Caribbean Basin Initiative program.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule Effective	10/01/00	65 FR 59650
Interim Final Rule	10/05/00	65 FR 59650
Interim Final Rule Comment Period End	12/04/00	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC76

**Agency Contact:** Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

**RIN:** 1505-AB28

**2397. REIMBURSABLE CUSTOMS INSPECTIONAL SERVICES—INCREASE IN HOURLY RATE CHARGE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 5 USC 6103; 19 USC 58a to 58c; 19 USC 66; 19 USC 261; 19 USC 267; 19 USC 1202; 19 USC 1450 to 1452; 19 USC 1456; 19 USC 1505; 19 USC 1557; 19 USC 1562; 19 USC 1624; 26 USC 4461; 26 USC 4462; 31 USC 9701; 46 USC 2110 to 2112

**CFR Citation:** 19 CFR 24; 19 CFR 101

**Legal Deadline:** None

**Abstract:** Amendment to increase the rate of charge for reimbursable customs inspectional services.

**Timetable:**

Action	Date	FR Cite
NPRM	02/01/01	66 FR 8554
NPRM Comment Period End	04/02/01	
Second NPRM	10/09/02	67 FR 62920

Action	Date	FR Cite
Second NPRM Comment Period End	12/09/02	
Final Action	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC77

**Agency Contact:** Dennis Lomax, Accountant, Department of the Treasury, Accounting Services Division, Office of Finance, Indianapolis, IN 46278  
Phone: 317 298-1200

**RIN:** 1505-AB29

**2398. DOG AND CAT PROTECTION ACT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1308; 19 USC 1592; 19 USC 1593a; 19 USC 1624

**CFR Citation:** 19 CFR 12; 19 CFR 113; 19 CFR 151; 19 CFR 162

**Legal Deadline:** Final, Statutory, August 9, 2001, Public Law 106-476.

**Abstract:** Amendment to implement certain provisions of the Dog and Cat Protection Act of 2000. The Dog and Cat Protection Act of 2000 prohibits the importation of any products containing dog or cat fur, and provides for civil and criminal penalties for violations of the Act. Amendment sets forth the prohibitions on dog and cat fur importations and the penalties for violations. Amendment also implements the provision of the Act pertaining to customs certification process of commercial laboratories, both domestic and foreign, that can determine if articles intended to be imported into the United States contain dog or cat fur.

**Timetable:**

Action	Date	FR Cite
NPRM	08/10/01	66 FR 42163
NPRM Comment Period End	10/09/01	
Final Action	05/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1515-AC87

**Agency Contact:** Jeremy Baskin, Attorney-Advisor, Penalties Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8753

Luan Cotter, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-1249

Renee Stevens, Science Officer, Department of the Treasury, Office of Laboratories and Scientific Services, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0941

**RIN:** 1505-AB31

**2399. PROTOTYPES USED SOLELY FOR PRODUCT DEVELOPMENT, TESTING, EVALUATION, OR QUALITY CONTROL PURPOSES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; PL 106-476

**CFR Citation:** 19 CFR 10; 19 CFR 163

**Legal Deadline:** Final, Statutory, September 9, 2001, Public Law 106-476.

**Abstract:** Amendment to establish rules and procedures under the Product Development and Testing Act of 2000 (PDTA). The purpose of the PDTA is to promote product development and testing in the United States by allowing the duty-free entry of articles, commonly referred to as prototypes, that are to be used exclusively in product development, testing, evaluation, and quality control. Amendments set forth the procedures for both the identification of those prototypes properly entitled to duty-free entry, as well as the permissible sale of such prototypes, following use in the United States, as scrap, waste, or for recycling.

**Timetable:**

Action	Date	FR Cite
NPRM	03/08/02	67 FR 10636
NPRM Comment Period End	04/08/02	
Final Action	11/00/04	

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**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC88**Agency Contact:** Richard Walliio, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-2556**RIN:** 1505-AB32**2400. PREFERENTIAL TREATMENT OF BRASSIERES UNDER THE UNITED STATES-CARIBBEAN BASIN TRADE PARTNERSHIP ACT****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2701; 19 USC 3314**CFR Citation:** 19 CFR 10; 19 CFR 163**Legal Deadline:** Final, Statutory, October 1, 2001, Public Law 106-200.**Abstract:** Amendment to implement those provisions within the United States-Caribbean Basin Trade Partnership Act (the CBTPA) that establish standards for preferential treatment for brassieres imported from CBTPA beneficiary countries. The amendments involve specifically the methods, procedures, and related standards that will apply for purposes of determining compliance with the 75 percent aggregate U.S. fabric components content requirement under the CBTPA brassieres provision.**Timetable:**

Action	Date	FR Cite
Interim Final Rule	10/04/01	66 FR 50534
Interim Final Rule Effective	10/04/01	
Correction	10/11/01	66 FR 51864
Interim Final Rule Comment Period End	12/03/01	
Final Action	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC89**Agency Contact:** Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations andRulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790Brian Fennessy, Acting Branch Chief, Textile Policy and Trade Initiatives Branch, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-2272**RIN:** 1505-AB33**2401. SINGLE ENTRY FOR UNASSEMBLED OR DISASSEMBLED ENTITIES IMPORTED ON MULTIPLE CONVEYANCES****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1448; 19 USC 1484; 19 USC 1624**CFR Citation:** 19 CFR 141; 19 CFR 142**Legal Deadline:** Final, Statutory, May 9, 2001, Public Law 106-476.**Abstract:** Amendment to allow an importer of record, under certain conditions, to submit a single entry to cover multiple portions of a single entity which, due to its size or nature, arrives in the United States on separate conveyances. Amendment implements statutory changes made to the merchandise entry laws by the Tariff Suspension and Trade Act of 2000.**Timetable:**

Action	Date	FR Cite
NPRM	04/08/02	67 FR 16664
NPRM Comment Period End	06/07/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AC94**Agency Contact:** Gina Grier, Attorney, Entry Procedures and Carriers Branch, Department of the Treasury, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8730Robert E. Watt, Program Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 927-0279**RIN:** 1505-AB34**2402. IMPLEMENTATION OF THE ANDEAN TRADE PROMOTION AND DRUG ERADICATION ACT****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 3203; 19 USC 3314**CFR Citation:** 19 CFR 10; 19 CFR 163**Legal Deadline:** None**Abstract:** Amendment to implement the trade benefit provisions for Andean countries contained in title XXXI of the Trade Act of 2002. The trade benefits under title XXXI, also referred to as the Andean Trade Promotion and Drug Eradication Act (the ATPDEA), apply to Andean countries specifically designated by the President for ATPDEA purposes. The ATPDEA trade benefits involve the entry of specific apparel and other textile articles free of duty and free of any quantitative restrictions, limitations, or consultation levels, the extension of duty-free treatment to specified nontextile articles normally excluded from duty-free treatment under the Andean Trade Preference Act (ATPA) program if the President finds those articles to be not import-sensitive in the context of the ATPDEA, and the entry of certain imports of tuna free of duty and free of any quantitative restrictions.**Timetable:**

Action	Date	FR Cite
Interim Final Rule	03/25/03	68 FR 14478
Interim Final Rule Effective	03/25/03	
Interim Final Rule Comment Period End	05/27/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AD19**Agency Contact:** Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

Robert Abels, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229

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Phone: 202 344-1959

RIN: 1505-AB37

**2403. TRADE BENEFITS UNDER THE AFRICAN GROWTH AND OPPORTUNITY ACT****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 3721; 19 USC 3314**CFR Citation:** 19 CFR 10**Legal Deadline:** None

**Abstract:** Amendment to those provisions of the Customs Regulations that implement the trade benefit provisions for sub-Saharan African countries contained in the African Growth and Opportunity Act (the AGOA). Amendments involve the textile and apparel provisions of the AGOA and in part reflect changes to those statutory provisions by section 3108 of the Trade Act of 2002. The specific statutory changes involve the amendment of several provisions to clarify the status of apparel articles assembled from knit-to-shape components, the inclusion of a specific reference to apparel articles formed on seamless knitting machines, a change of the wool fiber diameter specified in one provision, and the addition of a new provision to cover additional production scenarios involving the United States and AGOA beneficiary countries.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	03/21/03	68 FR 13820
Interim Final Rule Effective	03/21/03	
Interim Final Rule Comment Period End	05/20/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AD20

**Agency Contact:** Robert Abels, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
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Cynthia Reese, Senior Attorney, Department of the Treasury, Room 503, Office of Regulations and Rulings, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 572-8790

RIN: 1505-AB38

**2404. FEES FOR CUSTOMS PROCESSING AT EXPRESS COURIER FACILITIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 301; 19 USC 58a to 58c; 19 USC 66; 19 USC 1202; 19 USC 1505; 19 USC 261; 19 USC 267; 19 USC 1450 to 1452; 19 USC 1456; 19 USC 1524; 19 USC 1557; 19 USC 1562; 19 USC 1624; 26 USC 4461; 26 USC 4462; 19 USC 3332; 46 USC 2110 to 2112**CFR Citation:** 19 CFR 24; 19 CFR 113; 19 CFR 128**Legal Deadline:** None

**Abstract:** Amendment to implement amendments to the customs user fee statute made by section 337 of the Trade Act of 2002. Statutory amendments concern the fees payable for customs services provided in connection with the informal entry or release of shipments at express consignment carrier facilities and centralized hub facilities. The effect of the statutory amendments is to replace the annual lump sum payment procedure with a quarterly payment procedure based on a specific fee for each individual airway bill or bill of lading.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	03/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AD21

**Agency Contact:** Joseph Lanzante, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-2675

RIN: 1505-AB39

**2405. TRADE BENEFITS UNDER THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT****Priority:** Substantive, Nonsignificant**Legal Authority:** 19 USC 66; 19 USC 1202; 19 USC 1321; 19 USC 1481; 19 USC 1484; 19 USC 1498; 19 USC 1508; 19 USC 1623; 19 USC 1624; 19 USC 2701; 19 USC 3314**CFR Citation:** 19 CFR 10**Legal Deadline:** None

**Abstract:** Amendment to implement the trade benefits for Caribbean Basin countries contained in section 213(b) of the Caribbean Basin Economic Recovery Act (the CBERA). Amendments involve the textile and apparel provisions of section 213(b) and in part reflect changes made to those statutory provisions by section 3107 of the Trade Act of 2002. The specific statutory changes involve the amendment of several provisions to clarify the status of apparel articles assembled from knit-to-shape components, the addition of language requiring any dyeing, printing, and finishing of certain fabrics to be done in the United States, the inclusion of exception language in the brassieres provision regarding articles entered under other CBERA apparel provisions, the addition of a provision permitting the dyeing, printing, and finishing of thread in the Caribbean region, and the addition of a new provision to cover additional production scenarios involving the United States and the Caribbean region.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	03/21/03	68 FR 13827
Interim Final Rule Effective	03/21/03	
Interim Final Rule Comment Period End	05/20/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1515-AD22

**Agency Contact:** Robert Abels, Operations Officer, Department of the Treasury, Office of Field Operations, 1300 Pennsylvania Avenue NW., Washington, DC 20229  
Phone: 202 344-1959

## TREAS—DO

## Final Rule Stage

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**RIN:** 1505-AB40

**2406. TARIFF TREATMENT RELATED  
TO DISASSEMBLY OPERATIONS  
UNDER THE NORTH AMERICAN FREE  
TRADE AGREEMENT (NAFTA)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 66; 19 USC  
1202; 19 USC 1624; 19 USC 3314

**CFR Citation:** 19 CFR 181

**Legal Deadline:** None

**Abstract:** Amendment to amend the  
Customs Regulations concerning the  
North American Free Trade Agreement  
(NAFTA) to allow components that are  
recovered from the disassembly of used  
goods in a NAFTA country to be  
entitled to NAFTA originating status  
when imported into the United States,  
provided that: 1) the recovered  
components satisfy the applicable  
NAFTA rules of origin requirements;  
and 2) where the applicable rule of  
origin does not include a regional value  
content requirement, the components  
are subject to further processing in the  
NAFTA country beyond certain minor  
operations.

**Timetable:**

Action	Date	FR Cite
NPRM	03/13/03	68 FR 12011
NPRM Comment Period End	05/12/03	
Final Action	01/00/05	

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred  
from RIN 1515-AD23

**Agency Contact:** Edward M. Leigh,  
Attorney, Special Classification and  
Marking Branch, Department of the  
Treasury, Office of Regulations and  
Rulings, 1300 Pennsylvania Avenue  
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Phone: 202 572-8827

**RIN:** 1505-AB41

**2407. MERCHANDISE PROCESSING  
FEES ELIGIBLE TO BE CLAIMED AS  
CERTAIN TYPES OF DRAWDRAW  
BASED ON SUBSTITUTION OF  
FINISHED PETROLEUM DERIVATIVES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 19 USC  
66; 19 USC 1202; 19 USC 1313; 19 USC  
1624

**CFR Citation:** 19 CFR 191

**Legal Deadline:** None

**Abstract:** Amendment to provide that  
merchandise processing fees are eligible  
to be claimed, in limited circumstances,  
as drawback based on substitution of  
finished petroleum derivatives.  
Amendment is consistent with a court  
decision in which merchandise  
processing fees were found to be  
eligible to be claimed as unused  
merchandise drawback. As drawback  
based on substitution of finished  
petroleum derivatives is, in limited  
circumstances, treated in the same  
manner as unused merchandise  
drawback, the amendment reflects that  
merchandise processing fees are also  
eligible to be claimed as drawback in  
these circumstances.

**Timetable:**

Action	Date	FR Cite
NPRM	10/02/03	68 FR 56804
NPRM Comment Period End	12/01/03	
Final Action	11/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred  
from RIN 1515-AD32

**Agency Contact:** William G. Rosoff,  
Chief, Duty Refund and Determination  
Branch, Department of the Treasury,  
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Washington, DC 20229  
Phone: 202 572-8807

**RIN:** 1505-AB44

**2408. UNITED STATES—CHILE FREE  
TRADE AGREEMENT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 3805 note; 19  
USC 1202; 19 USC 66; 19 USC 1624;

...

**CFR Citation:** 19 CFR 10; 19 CFR 12;  
19 CFR 24; 19 CFR 163; ...

**Legal Deadline:** Final, Statutory,  
January 1, 2005, United States—Chile  
Free Trade Agreement Implementation  
Act.

**Abstract:** This will implement the  
preferential tariff treatment and other  
customs-related provisions of the Free  
Trade Agreement entered into by the  
United States and the Republic of  
Chile.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Carol McDaniel,  
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1300 Pennsylvania Avenue NW.,  
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Phone: 202 344-1131

Robert Abels, Operations Officer,  
Department of the Treasury, Office of  
Field Operations, 1300 Pennsylvania  
Avenue NW., Washington, DC 20229  
Phone: 202 344-1959

**RIN:** 1505-AB47

**2409. UNITED STATES—SINGAPORE  
FREE TRADE AGREEMENT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 19 USC 3805 note; 19  
USC 1202; 19 USC 66; 19 USC 1624;

...

**CFR Citation:** 19 CFR 10; 19 CFR 12;  
19 CFR 24; 19 CFR 163; ...

**Legal Deadline:** Final, Statutory,  
January 1, 2005, U.S.—Singapore Free  
Trade Agreement Implementation Act.

**Abstract:** Amendment to implement  
the preferential tariff treatment and  
other customs-related provisions of the  
Free Trade Agreement entered into by  
the United States and the Republic of  
Singapore.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Carol McDaniel,  
Operations Officer, Department of the  
Treasury, Office of Field Operations,

## TREAS—DO

## Final Rule Stage

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Phone: 202 344-1959

RIN: 1505-AB48

Department of the Treasury (TREAS)  
Departmental Offices (DO)

## Long-Term Actions

**2410. POSSIBLE REGULATION OF  
ACCESS TO ACCOUNTS AT  
FINANCIAL INSTITUTIONS THROUGH  
PAYMENT SERVICE PROVIDERS**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is  
undetermined.

**CFR Citation:** 31 CFR ch II

**Timetable:**

Action	Date	FR Cite
ANPRM	01/08/99	64 FR 1149
ANPRM Comment Period End	04/08/99	
Next Action Undetermined		

**Regulatory Flexibility Analysis  
Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Donna Felmlee  
Phone: 202 622-1808

**RIN:** 1505-AA74

**2411. FINANCIAL ACTIVITIES OF  
FINANCIAL SUBSIDIARIES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** Not Yet Determined

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	03/20/00	65 FR 14819
Interim Final Rule Effective	03/14/00	
Interim Final Rule Comment Period End	05/15/00	
Next Action Undetermined		

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
Phone: 202 622-1976  
Fax: 202 622-1974  
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**RIN:** 1505-AA80

**2412. FINANCIAL SUBSIDIARIES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** Not Yet Determined

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
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Email: gary.sutton@do.treas.gov

**RIN:** 1505-AA81

**2413. SECRETARY'S DETERMINATION  
OF REAL ESTATE BROKERAGE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1501.2

**Timetable:**

Action	Date	FR Cite
NPRM	01/03/01	66 FR 307
NPRM Comment Period End	03/02/01	
NPRM Comment Period Extended	05/01/01	66 FR 12440
Next Action Undetermined		

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
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Email: gary.sutton@do.treas.gov

**RIN:** 1505-AA84

**2414. SECRETARY'S DETERMINATION  
OF OTHER ACTIVITIES FINANCIAL IN  
NATURE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 1501.2

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	01/02/01	66 FR 257
Interim Final Rule Effective	01/02/01	
Interim Final Rule Comment Period End	02/02/01	
Next Action Undetermined		

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Sutton  
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Email: gary.sutton@do.treas.gov

**RIN:** 1505-AA85

**2415. HARBOR MAINTENANCE FEE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 19 CFR 4; 19 CFR 24;  
19 CFR 146; 19 CFR 178

**Timetable:**

Action	Date	FR Cite
Interim Final Rule Effective	03/01/87	
Interim Final Rule Interim Final Rule Comment Period End	03/30/87	52 FR 10198
Interim Final Rule Comment Period End	05/29/87	
Final Action	To Be Determined	

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Deborah Thompson  
Phone: 317 298-1200

**RIN:** 1505-AB11

**2416. DONATED CARGO EXEMPTION  
FROM HARBOR MAINTENANCE FEE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 19 CFR 24

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	01/08/92	57 FR 607
Interim Final Rule Effective	01/08/92	
Interim Final Rule Comment Period End	03/09/92	
Final Action	To Be Determined	

**Regulatory Flexibility Analysis  
Required:** No

**Government Levels Affected:** None

**Agency Contact:** Deborah Thompson  
Phone: 317 298-1200

**RIN:** 1505-AB12



## TREAS—DO

## Long-Term Actions

**2417. RECONCILIATION**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 19 CFR 142; 19 CFR 159  
**Timetable:**

Action	Date	FR Cite
NPRM	To Be Determined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** John Leonard  
 Phone: 202 344-2687

**RIN:** 1505-AB16

**2418. NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)—IMPLEMENTATION OF DUTY-DEFERRAL PROGRAM PROVISIONS**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 19 CFR 181; 19 CFR 113; 19 CFR 141; 19 CFR 144; 19 CFR 10

**Timetable:**

Action	Date	FR Cite
Interim Final Rule Effective	01/01/96	
Interim Final Rule	01/30/96	61 FR 2908

Action	Date	FR Cite
Interim Final Rule Comment Period End	04/01/96	
Final Action	To Be Determined	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Shawn Filion  
 Phone: 716 551-3053

**RIN:** 1505-AB17

**Department of the Treasury (TREAS)  
 Departmental Offices (DO)**

## Completed Actions

**2419. BANK ENTERPRISE AWARD (BEA) PROGRAM**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 12 CFR 1806  
**Completed:**

Reason	Date	FR Cite
Withdrawn - No Further Action Anticipated	09/13/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jeffrey C. Berg  
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 Fax: 202 622-8244  
 Email: bergj@cdfi.treas.gov

**RIN:** 1505-AA91

**2420. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) PROGRAM**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 12 CFR 1805  
**Completed:**

Reason	Date	FR Cite
Interim Final Rule	05/11/04	69 FR 26260
Interim Final Rule Comment Period End	07/12/04	
Withdrawn	09/13/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Jeffrey C. Berg  
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Email: bergj@cdfi.treas.gov  
**RIN:** 1505-AA92

**2421. AMENDMENTS TO THE GOVERNMENT SECURITIES ACT REGULATIONS: CUSTOMER PROTECTION-RESERVES AND CUSTODY OF SECURITIES**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 17 CFR 403.4  
**Completed:**

Reason	Date	FR Cite
Final Action	06/14/04	69 FR 33258

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Lori Santamorena  
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**RIN:** 1505-AA94

**2422. DISCLOSURE OF RECORDS IN LITIGATION**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 31 CFR 1.8 to 1.12  
**Completed:**

Reason	Date	FR Cite
Final Rule	09/07/04	69 FR 54002
Final Rule Effective	09/07/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal  
**Agency Contact:** Thomas M. McGivern  
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**RIN:** 1505-AA97

**2423. TERRORISM RISK INSURANCE PROGRAM; INITIAL CLAIMS PROCEDURE REQUIREMENTS**

**Priority:** Other Significant  
**CFR Citation:** 31 CFR 50  
**Completed:**

Reason	Date	FR Cite
Final Rule	06/29/04	69 FR 39296
Final Rule Effective	07/29/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Howard Leikin  
 Phone: 202 622-6770  
**RIN:** 1505-AB07

**2424. TERRORISM RISK INSURANCE PROGRAM; LITIGATION MANAGEMENT**

**Priority:** Other Significant  
**CFR Citation:** 31 CFR 50  
**Completed:**

Reason	Date	FR Cite
NPRM	05/06/04	69 FR 25341
Final Rule	07/28/04	69 FR 44932
Final Rule Effective	08/27/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

## TREAS—DO

## Completed Actions

**Agency Contact:** C. Christopher Ledoux  
Phone: 202 622-6813  
**RIN:** 1505-AB08

**2425. TEXTILES AND TEXTILE PRODUCTS SUBJECT TO TEXTILE TRADE AGREEMENTS**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 19 CFR 12  
**Completed:**

Reason	Date	FR Cite
Withdrawn	09/15/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Brian Fennessy  
Phone: 202 344-2272

**RIN:** 1505-AB13

**2426. LIQUIDATION; EXTENSION; SUSPENSION**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 19 CFR 159  
**Completed:**

Reason	Date	FR Cite
Withdrawn	09/15/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** William G. Rosoff  
Phone: 202 572-8807  
**RIN:** 1505-AB14

**2427. DETENTION, SEIZURE, AND FORFEITURE OF "BOOTLEG" SOUND RECORDING AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 19 CFR 12; 19 CFR 24; 19 CFR 133  
**Completed:**

Reason	Date	FR Cite
Withdrawn	09/15/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** George F. McCray  
Phone: 202 572-8709

**RIN:** 1505-AB15

**2428. ENTRY OF SOFTWOOD LUMBER SHIPMENTS FROM CANADA**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 19 CFR 12; 19 CFR 113  
**Completed:**

Reason	Date	FR Cite
Interim Final Rule	02/26/97	62 FR 8620
Interim Final Rule Effective	02/26/97	

Reason	Date	FR Cite
Interim Final Rule Comment Period End	04/28/97	
Withdrawn	09/15/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Carol McDaniel  
Phone: 202 344-1131

**Related RIN:** Related to 1515-AC62

**RIN:** 1505-AB18

**2429. ENTRY OF SOFTWOOD LUMBER SHIPMENTS FROM CANADA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 19 CFR 12

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/15/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Carol McDaniel  
Phone: 202 344-1131

**Related RIN:** Related to 1505-AB18

**RIN:** 1505-AB23  
**BILLING CODE** 4810-25-S

**Department of the Treasury (TREAS)  
Financial Crimes Enforcement Network (FINCEN)**

## Prerule Stage

**2430. CUSTOMER IDENTIFICATION PROGRAMS FOR PAWN BROKERS**

**Priority:** Substantive, Nonsignificant  
**Legal Authority:** PL 107-56, sec 326  
**CFR Citation:** Not Yet Determined  
**Legal Deadline:** None

**Abstract:** This regulation will require pawn brokers to adopt and implement reasonable procedures to verify the identity of any person seeking to open

an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date	FR Cite
ANPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA39

**Department of the Treasury (TREAS)**  
**Financial Crimes Enforcement Network (FINCEN)**

**Proposed Rule Stage**

**2431. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS— DELEGATION OF AUTHORITY TO ASSESS CIVIL MONEY PENALTIES ON DEPOSITORY INSTITUTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5321(e), Bank Secrecy Act

**CFR Citation:** 31 CFR 103

**Legal Deadline:** None

**Abstract:** This notice of proposed rulemaking proposes to delegate to the appropriate Federal banking regulatory agencies the authority to assess civil money penalties on depository institutions for violations of the Bank Secrecy Act. The regulation would prescribe the parameters of the delegated authority.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
 Phone: 703 905-3590  
 Fax: 703 905-3735

**RIN:** 1506-AA08

**2432. CUSTOMER IDENTIFICATION PROGRAMS FOR TRAVEL AGENTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 107-56, sec 326

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** This regulation will require travel agents to adopt and implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date	FR Cite
ANPRM	02/24/03	68 FR 8571
ANPRM Comment Period End	04/10/03	
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
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**RIN:** 1506-AA38

**2433. CUSTOMER IDENTIFICATION PROGRAMS FOR LOAN AND FINANCE COMPANIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 107-56, sec 326

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** This regulation will require loan and finance companies to adopt and implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
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 Fax: 703 905-3735

**RIN:** 1506-AA40

**2434. CUSTOMER IDENTIFICATION PROGRAMS FOR SELLERS OF VEHICLES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 107-56, sec 326

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** This regulation will require sellers of vehicles to adopt and implement reasonable procedures to verify the identity of any person

seeking to open an account, to the extent reasonable and practicable; maintain records of the information used to verify the person's identity; and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to them by any Government agency.

**Timetable:**

Action	Date	FR Cite
ANPRM	02/24/03	68 FR 8568
ANPRM Comment Period End	04/10/03	
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
 Phone: 703 905-3590  
 Fax: 703 905-3735

**RIN:** 1506-AA41

**2435. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS— ANTI-MONEY LAUNDERING PROGRAMS FOR TRAVEL AGENCIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5316(h)

**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67

**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107-56, sec 352.

**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for travel agencies, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
 Phone: 703 905-3590  
 Fax: 703 905-3735

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA69

## TREAS—FINCEN

## Proposed Rule Stage

**2436. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR LOAN AND FINANCE COMPANIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for loan and finance companies, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905–3590  
Fax: 703 905–3735**Related RIN:** Split from 1506–AA28**RIN:** 1506–AA73**2437. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR PERSONS INVOLVED IN REAL ESTATE CLOSINGS AND SETTLEMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for persons involved in real estate closings and settlements, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905–3590  
Fax: 703 905–3735**Related RIN:** Split from 1506–AA28**RIN:** 1506–AA79**2438. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR BUSINESSES ENGAGED IN VEHICLE SALES, INCLUDING AUTOMOBILES, AIRPLANE, AND BOAT SALES****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for businesses engaged in vehicle sales, including automobile, airplane, and boat sales, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905–3590  
Fax: 703 905–3735**Related RIN:** Split from 1506–AA28**RIN:** 1506–AA80**Department of the Treasury (TREAS)  
Financial Crimes Enforcement Network (FINCEN)**

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**2439. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS REGARDING REPORTING OF CROSS-BORDER TRANSPORTATION OF CERTAIN MONETARY INSTRUMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5312(a)(3), Bank Secrecy Act**CFR Citation:** 31 CFR 103**Legal Deadline:** None**Abstract:** This rule will require reporting of cross-border transportation of certain negotiable instruments.**Timetable:**

Action	Date	FR Cite
NPRM	01/22/97	62 FR 3249
NPRM Comment Period End	04/22/97	
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905–3590  
Fax: 703 905–3735**RIN:** 1506–AA15**2440. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS—EXEMPTIONS FROM THE REQUIREMENT TO REPORT TRANSACTIONS IN CURRENCY****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5330**CFR Citation:** 31 CFR 103**Legal Deadline:** None**Abstract:** This document contains an interim final rule that further reforms and simplifies the process by which depository institutions may exempt transactions of retail and other businesses from the requirement to

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report transactions in currency in excess of \$10,000. The interim final rule is part of a continuing program to reduce unnecessary burdens upon financial institutions complying with the Bank Secrecy Act and increase the cost-effectiveness of the counter-money laundering policies of the Department of the Treasury.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	07/28/00	65 FR 46356
Interim Final Rule Effective	07/31/00	
Interim Final Rule Comment Period End	09/26/00	
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA23**2441. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS— REQUIREMENT THAT NONFINANCIAL TRADES OR BUSINESSES REPORT CERTAIN CURRENCY TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 et seq; PL 107-56**CFR Citation:** 31 CFR 103.30**Legal Deadline:** Final, Statutory, April 26, 2002, Interim final rule published December 31, 2001.

**Abstract:** This document contains an interim final rule amending the Bank Secrecy Act regulations to require certain persons to report currency received in the course of their trade or business.

**Timetable:**

Action	Date	FR Cite
NPRM	12/31/01	66 FR 67685
Interim Final Rule	12/31/01	66 FR 67680
NPRM Comment Period End	03/01/02	
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA25**2442. DUE DILIGENCE REQUIREMENTS FOR CORRESPONDENT ACCOUNTS AND PRIVATE BANKING ACCOUNTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5318(i)**CFR Citation:** 31 CFR 103.175 to 103.178**Legal Deadline:** Final, Statutory, July 23, 2002, Public Law 107-56, sec 312.

**Abstract:** Section 5318(i) of 31 U.S.C., added by section 312 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001, requires U.S. financial institutions to establish due diligence policies, procedures, and controls reasonably designed to detect and report money laundering through correspondent accounts and private banking accounts that U.S. financial institutions establish or maintain for non-U.S. persons. Section 312 takes effect on July 23, 2002, whether or not Treasury has issued a final rule implementing that provision.

**Timetable:**

Action	Date	FR Cite
NPRM	05/30/02	67 FR 37736
NPRM Comment Period End	07/01/02	
Interim Final Rule	07/23/02	67 FR 48347
Interim Final Rule Effective	07/23/02	
Interim Final Rule Comment Period End	08/22/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183

Phone: 703 905-3590

Fax: 703 905-3735

**RIN:** 1506-AA29**2443. CUSTOMER IDENTIFICATION PROGRAMS FOR BANKS, SAVINGS ASSOCIATIONS, AND CREDIT UNIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5318(l)**CFR Citation:** 31 CFR 103.121**Legal Deadline:** Final, Statutory, October 25, 2002, Public Law 107-56, sec 352.

**Abstract:** This notice of proposed rulemaking proposes to require banks, savings associations, and credit unions to establish written customer identification programs.

**Timetable:**

Action	Date	FR Cite
NPRM	07/23/02	67 FR 48290
NPRM Comment Period End	09/06/02	
NPRM	05/09/03	68 FR 25163
Final Action	05/09/03	68 FR 25090
NPRM Comment Period End	06/23/03	
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA31**2444. FINANCIAL CRIMES ENFORCEMENT NETWORK; AMENDMENT TO THE BANK SECRECY ACT REGULATIONS REQUIREMENT THAT INSURANCE COMPANIES REPORT SUSPICIOUS TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5332**CFR Citation:** 31 CFR 103.16**Legal Deadline:** None

**Abstract:** This document will require insurance companies to report suspicious transactions to the Department of the Treasury. The

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amendments constitute a further step in the creation of a comprehensive system for the reporting of suspicious transactions by the major categories of financial institutions operating in the United States as a part of the counter-money laundering program of the Department of the Treasury.

**Timetable:**

Action	Date	FR Cite
NPRM	10/17/02	67 FR 64067
NPRM Comment Period End	12/16/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA36

#### 2445. AMENDMENT TO THE BANK SECRECY ACT REGULATIONS— REQUIREMENT THAT MUTUAL FUNDS REPORT SUSPICIOUS TRANSACTIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1829b; 12 USC 1951 to 1959; 31 USC 5311 to 5331; PL 107-56

**CFR Citation:** 31 CFR 103.15

**Legal Deadline:** None

**Abstract:** This document contains an amendment to the regulations implementing the statute generally known as the Bank Secrecy Act. The amendment would require mutual funds to report suspicious transactions to the Department of the Treasury. The amendment constitutes a further step in the creation of a comprehensive system for the reporting of suspicious transactions by the major categories of financial institutions operating in the United States, as part of the counter-money laundering program of the Department of the Treasury.

**Timetable:**

Action	Date	FR Cite
NPRM	01/21/03	68 FR 2716
NPRM Comment Period End	03/24/03	
Final Action	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA37

#### 2446. IMPOSITION OF SPECIAL MEASURES AGAINST THE COUNTRY OF NAURU

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 107-56, sec 311; 31 USC 5318A

**CFR Citation:** 31 CFR 103.184

**Legal Deadline:** None

**Abstract:** This rule will impose "special measures" against Nauru. Nauru was previously designated as a country of primary money laundering concern pursuant to section 311 of the USA PATRIOT Act on December 20, 2002, a prerequisite for the imposition of special measures.

**Timetable:**

Action	Date	FR Cite
NPRM	04/17/03	68 FR 18914
NPRM Comment Period End	05/19/03	
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA43

#### 2447. FINANCIAL CRIMES ENFORCEMENT; AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—NOMENCLATURE CHANGES

**Priority:** Info./Admin./Other. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 31 USC 5318 et seq

**CFR Citation:** 31 CFR 103

**Legal Deadline:** None

**Abstract:** This document amends 31 CFR part 103 to reflect changes to the

structure of the Department of the Treasury.

**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA61

#### 2448. IMPOSITION OF SPECIAL MEASURES AGAINST THE COMMERCIAL BANK OF SYRIA AS A FINANCIAL INSTITUTION OF PRIMARY MONEY LAUNDERING CONCERN

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5318A

**CFR Citation:** 31 CFR 103.188

**Legal Deadline:** None

**Abstract:** This document will prohibit certain U.S. financial institutions from maintaining correspondent or payable-through accounts in the United States for, or on behalf of, a foreign bank determined to be of primary money laundering concern.

**Timetable:**

Action	Date	FR Cite
NPRM	05/18/04	69 FR 28098
NPRM Comment Period End	06/17/04	
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA64

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**2449. IMPOSITION OF SPECIAL MEASURE AGAINST FIRST MERCHANT BANK OSH LTD, INCL. ITS SUBSIDIARIES, FMB FINANCE LTD, FIRST MERCHANT INTERNATIONAL INC, FIRST MERCHANT FINANCE LTD, AND FIRST MERCHANT TRUST LTD**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 31 USC 5318A

**CFR Citation:** 31 CFR 103.189

**Legal Deadline:** None

**Abstract:** This document will prohibit certain U.S. financial institutions from maintaining correspondent or payable-through accounts in the United States for, or on behalf of, a foreign bank determined to be of primary money laundering concern.

**Timetable:**

Action	Date	FR Cite
NPRM	08/24/04	69 FR 51979
NPRM Comment Period End	09/23/04	
Final Action	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA65

**2450. IMPOSITION OF SPECIAL MEASURE AGAINST INFOBANK AS A FINANCIAL INSTITUTION OF PRIMARY MONEY LAUNDERING CONCERN**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5318A

**CFR Citation:** 31 CFR 103.190

**Legal Deadline:** None

**Abstract:** This document will prohibit certain U.S. financial institutions from maintaining correspondent or payable-through accounts in the United States for, or on behalf of, a foreign financial institution determined to be of primary money laundering concern.

**Timetable:**

Action	Date	FR Cite
NPRM	08/24/04	69 FR 51973

Action	Date	FR Cite
NPRM Comment Period End	09/23/04	
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**RIN:** 1506-AA67

**2451. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR MUTUAL FUNDS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 31 USC 5316(h)

**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67

**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107-56, sec 352.

**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for mutual funds, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA68

**2452. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR INSURANCE COMPANIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5316(h)

**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67

**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107-56, sec 352.

**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for insurance companies, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA70

**2453. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR INVESTMENT ADVISORS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 5316(h)

**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67

**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107-56, sec 352.

**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for investment advisors, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905-3590  
Fax: 703 905-3735

**Related RIN:** Split from 1506-AA28

**RIN:** 1506-AA71

## TREAS—FINCEN

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**2454. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR FINANCIAL INSTITUTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for financial institutions, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905–3590  
Fax: 703 905–3735**Related RIN:** Split from 1506–AA28**RIN:** 1506–AA72**2455. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR MONEY SERVICES BUSINESSES****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for money services businesses, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury,Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905–3590  
Fax: 703 905–3735**Related RIN:** Split from 1506–AA28**RIN:** 1506–AA74**2456. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR COMMODITY TRADING ADVISORS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for commodity trading advisors, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183  
Phone: 703 905–3590  
Fax: 703 905–3735**Related RIN:** Split from 1506–AA28**RIN:** 1506–AA75**2457. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR OPERATORS OF A CREDIT CARD SYSTEM****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for operators of a credit card system, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183

Phone: 703 905–3590

Fax: 703 905–3735

**Related RIN:** Split from 1506–AA28**RIN:** 1506–AA76**2458. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR UNREGISTERED INVESTMENT COMPANIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for unregistered investment companies, as defined in the Bank Secrecy Act.**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183

Phone: 703 905–3590

Fax: 703 905–3735

**Related RIN:** Split from 1506–AA28,

Previously reported as 1506–AA57

**RIN:** 1506–AA77**2459. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—ANTI-MONEY LAUNDERING PROGRAMS FOR DEALERS IN PRECIOUS METALS, STONES, OR JEWELS****Priority:** Substantive, Nonsignificant**Legal Authority:** 31 USC 5316(h)



## TREAS—FINCEN

Final Rule Stage

**CFR Citation:** 31 CFR 103.65; 31 CFR 103.66; 31 CFR 103.67

**Legal Deadline:** Final, Statutory, April 24, 2002, PL 107–56, sec 352.

**Abstract:** FinCEN will issue a series of regulations regarding anti-money laundering program requirements for dealers in precious metals, stones, or

jewels, as defined in the Bank Secrecy Act.

**Timetable:**

Action	Date	FR Cite
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel, Department of the Treasury, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183

Phone: 703 905–3590

Fax: 703 905–3735

**Related RIN:** Split from 1506–AA28

**RIN:** 1506–AA78

## Department of the Treasury (TREAS)

Long-Term Actions

## Financial Crimes Enforcement Network (FINCEN)

**2460. AMENDMENTS TO THE BANK SECRECY ACT REGULATIONS—SPECIAL REPORTING AND RECORDKEEPING REQUIREMENTS—MONEY SERVICES BUSINESSES (MSBS)**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 103

**Timetable:**

Action	Date	FR Cite
NPRM	05/21/97	62 FR 27909
NPRM Comment Period End	09/30/97	
Final Action	To Be Determined	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** Office of the Chief Counsel

Phone: 703 905–3590

Fax: 703 905–3735

**RIN:** 1506–AA19

**BILLING CODE** 4820–02–S

## Department of the Treasury (TREAS)

Proposed Rule Stage

## Financial Management Service (FMS)

**2461. CLAIMS ON ACCOUNT OF TREASURY CHECKS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 321; 31 USC 3328; 31 USC 3331; 31 USC 3343; 31 USC 3702; 31 USC 3712

**CFR Citation:** 31 CFR 245

**Legal Deadline:** None

**Abstract:** Title 31 CFR part 245 governs the issuance of replacement checks for checks drawn on the United States Treasury when: 1) the original check has been lost, stolen, destroyed or mutilated or defaced to such an extent that it is rendered non-negotiable; 2) the original check has been negotiated and paid on a forged or unauthorized indorsement; and 3) the original check

has been cancelled pursuant to 31 CFR part 240. This regulation is being revised to update the regulation's definitions to make them consistent with the language of the revisions to the definitions in 31 CFR part 240. Other revisions will govern the use of the Check Forgery Insurance Fund (Fund). The Fund is a revolving fund established to settle payee claims of nonreceipt where the original check has been fraudulently negotiated. The Fund ensures that innocent payees, whose Treasury checks have been fraudulently cashed, receive replacement checks in a timely manner. The NPRM is on hold pending implementation of the Expanded Check Forgery Insurance Fund Legislation (CFIF) and the

Treasury Check Information System (TCIS).

**Timetable:**

Action	Date	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Ella White, Program Analyst, Department of the Treasury, Financial Management Service, Room 8D25, 3700 East–West Highway, Hyattsville, MD 20782

Phone: 202 874–8445

Email: ella.white@fms.treas.gov

**RIN:** 1510–AA51

## Department of the Treasury (TREAS)

Final Rule Stage

## Financial Management Service (FMS)

**2462. PAYMENTS UNDER JUDGMENT AND PRIVATE RELIEF ACTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** PL 104–53; PL 104–316; 28 USC 2414; 28 USC 2517; 31 USC 1304

**CFR Citation:** 31 CFR 256

**Legal Deadline:** None

**Abstract:** This regulation governs the procedures for securing payment for money judgments against the United States. The proposed revision will update these procedures. This revision will benefit claimants and others in understanding the judgment payment

process. This regulation currently describes a process that involves the General Accounting Office (GAO) and the Treasury Department. The revision will remove the GAO from this description to reflect legislative amendments that effect this change. Also, the regulation currently identifies monetary thresholds that no longer

## TREAS—FMS

## Final Rule Stage

exist. The change will reflect the removal of these monetary limitations. These revisions will make the regulation consistent with current procedures for securing payment of money judgments against the United States.

**Timetable:**

Action	Date	FR Cite
NPRM	01/08/96	61 FR 552
NPRM Comment Period End	02/07/96	
Final Action	01/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Vivian Cooper, Director, Financial Accounting and Services Division, Department of the Treasury, Financial Management Service, Room 620D, 3700 East-West Highway, Hyattsville, MD 20782  
Phone: 202 874-8380  
Email: vivian.cooper@fms.treas.gov

**RIN:** 1510-AA52

**2463. OFFSET OF FEDERAL PAYMENTS (OTHER THAN TAX REFUND AND FEDERAL BENEFIT PAYMENTS) TO COLLECT PAST-DUE, LEGALLY ENFORCEABLE NONTAX DEBT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 321; 31 USC 3716

**CFR Citation:** 31 CFR 285.5

**Legal Deadline:** None

**Abstract:** This rule governs the administrative offset of Federal payments by disbursing officials of the United States.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	12/26/02	67 FR 78936
Final Action	11/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt Management Service, Department of the Treasury, Financial Management Service, Room 44AB, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-7131  
Fax: 202 874-7494

Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA65

**2464. SALARY OFFSET**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 5514

**CFR Citation:** 31 CFR 285.7

**Legal Deadline:** None

**Abstract:** This rule governs the centralized computer matching of Federal employee records for purposes of salary offset to collect nontax delinquent debt owed the Federal Government.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	04/28/98	63 FR 23353
Final Action	04/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt Management Service, Department of the Treasury, Financial Management Service, Room 44AB, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-7131  
Fax: 202 874-7494  
Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA70

**2465. OFFSET OF TAX REFUND PAYMENT TO COLLECT STATE INCOME TAX OBLIGATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6402(e)

**CFR Citation:** 31 CFR 285.8

**Legal Deadline:** None

**Abstract:** This rule governs the offset of Federal tax refund payments to collect delinquent State income taxes.

**Timetable:**

Action	Date	FR Cite
NPRM	12/20/99	64 FR 71233
Interim Final Rule	12/20/99	64 FR 71227
Final Action	04/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** State, Federal

**Federalism:** Undetermined

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt

Management Service, Department of the Treasury, Financial Management Service, 401 14th Street SW., Washington, DC 20227

Phone: 202 874-6804

Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA78

**2466. FEDERAL CLAIMS COLLECTION STANDARD—COLLECTION BY INSTALLMENTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 31 USC 3711; 31 USC 3717

**CFR Citation:** 31 CFR 901.9

**Legal Deadline:** None

**Abstract:** Section 901.9, paragraph (f) is being modified to state that when an administrative charge is being paid out of amounts collected from the debtor, a partial or installment payment on a debt should be applied to that charge first, then to penalties, other administrative charges, interest, and principal.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal, Local, State, Tribal

**Agency Contact:** Gerry Isenberg, Financial Program Specialist, Debt Management Service, Department of the Treasury, Financial Management Service, Room 44AB, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-7131  
Fax: 202 874-7494  
Email: gerald.isenberg@fms.treas.gov

**RIN:** 1510-AA91

**2467. INDORSEMENT AND PAYMENT OF CHECKS DRAWN ON THE U.S. TREASURY**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 301; 12 USC 391; 31 USC 321; 31 USC 3327; 31 USC 3328; 31 USC 3331; 31 USC 3334; 31 USC 3343; 31 USC 3702; 31 USC 3702 note; 31 USC 3711; 31 USC 3712; 31 USC 3716; 31 USC 3717

**CFR Citation:** 31 CFR 240

**Legal Deadline:** None

## TREAS—FMS

## Final Rule Stage

**Abstract:** The Interim Rule will amend 31 CFR part 240 in order to permit financial institutions to present Treasury checks for payment by providing an electronic image of the check in lieu of the original item. The rule will establish the terms and conditions that will apply to the electronic image presentment of Treasury checks. In addition, the rule will address certain issues related to the presentment of substitute Treasury checks pursuant to the Check Clearing for the 21st Century Act, including the procedures that Treasury will follow upon a breach of the Act's substitute check warranties and the procedures that will apply if the Government incurs a loss due to the receipt of a substitute Treasury check rather than the original check.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Ronald Lee Brooks, Senior Program and Policy Analyst, Department of the Treasury, Financial Management Service, Financial Processing Division, 3700 East-West Highway, Room 7D26, Hyattsville, MD 20782-2294  
Phone: 202 874-7573  
Fax: 202 874-2294

Email: ronald.brooks@fms.treas.gov

**Related RIN:** Related to 1510-AA51

**RIN:** 1510-AA99

**2468. • FEDERAL GOVERNMENT PARTICIPATION IN THE ACH**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 5525; 12 USC 391; 31 USC 321; 31 USC 3301; 31 USC 3302; 31 USC 3321; 31 USC 3332; 31 USC 3335; 31 USC 3720

**CFR Citation:** 31 CFR 210

**Legal Deadline:** None

**Abstract:** FMS reviews the private sector ACH operating rules on a yearly basis and adopts, changes, or declines each rule.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	03/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Matthew R. Friend, Acting Director, Settlement Services Division, Department of the Treasury, Financial Management Service, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-1251  
Fax: 202 874-8644  
Email: matthew.friend@fms.treas.gov

**RIN:** 1510-AB00

**2469. • PAYMENT OF FEDERAL TAXES AND THE TREASURY TAX AND LOAN PROGRAM**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 12 USC 90; 12 USC 265; 12 USC 266; 12 USC 321; 12 USC 323; 12 USC 332; 12 USC 391; 12 USC 1452(d); 12 USC 1464(k); 12 USC 1767; 12 USC 1789(a); 12 USC 2013; 12 USC 2122; 12 USC 3102; 12 USC 6302; 31 USC 3301 to 3304

**CFR Citation:** 31 CFR 203

**Legal Deadline:** None

**Abstract:** This rule includes general revisions that will provide needed updates to support operational changes to the system used for the collection of corporate withholding taxes and the investment of the Government's excess operating funds, and incorporate other needed updates.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Laura Carrico, Acting Director, Investment Management Division, Department of the Treasury, Financial Management Service, 401 14th Street SW., Washington, DC 20227  
Phone: 202 874-7119  
Email: laura.carrico@fms.treas.gov

**RIN:** 1510-AB01

**Department of the Treasury (TREAS)  
Financial Management Service (FMS)****Long-Term Actions****2470. OFFSET OF FEDERAL PAYMENTS (OTHER THAN TAX REFUND AND FEDERAL BENEFIT PAYMENTS) TO COLLECT PAST-DUE DEBTS OWED TO STATES (OTHER THAN CHILD SUPPORT)**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 285.6

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** State

**Federalism:** Undetermined

**Agency Contact:** Gerry Isenberg

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**RIN:** 1510-AA66

**2471. PUBLIC DISSEMINATION OF IDENTITY OF DELINQUENT DEBTORS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 285.14

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Gerry Isenberg

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**RIN:** 1510-AA72

**2472. SURETY BOND REIMBURSEMENT FUND**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**CFR Citation:** 31 CFR 223

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis Required:** Undetermined

## TREAS—FMS

## Long-Term Actions

**Government Levels Affected:** None  
**Federalism:** Undetermined

**Agency Contact:** Vivian Cooper  
 Phone: 202 874-8380

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**RIN:** 1510-AA85

**Department of the Treasury (TREAS)**  
**Financial Management Service (FMS)**

## Completed Actions

**2473. FOREIGN EXCHANGE OPERATIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 281

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/22/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** Federal

**Agency Contact:** Stephen Kenneally  
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 Email: stephen.kenneally@fms.treas.gov

Walt Henderson

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**RIN:** 1510-AA48

**2474. MANAGEMENT OF FEDERAL AGENCY RECEIPTS AND DISBURSEMENTS; OPERATION OF THE CASH MANAGEMENT IMPROVEMENT FUND**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 206

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/22/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Agency Contact:** Stephen Kenneally  
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 Email: stephen.kenneally@fms.treas.gov

**RIN:** 1510-AA86

**2475. WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY, AND COUNTY INCOME, OR EMPLOYMENT TAXES BY FEDERAL AGENCIES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 215

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/22/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal, State, Local

**Agency Contact:** Stephen Kenneally  
 Phone: 202 874-6799  
 Email: stephen.kenneally@fms.treas.gov

**RIN:** 1510-AA90

**2476. PAYMENT OF FEDERAL TAXES AND THE TREASURY TAX AND LOAN PROGRAM**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 203

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/22/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Catherine McHugh  
 Phone: 202 874-7497  
 Email: catherine.mchugh@fms.treas.gov

**RIN:** 1510-AA96

**2477. FEDERAL GOVERNMENT PARTICIPATION IN THE AUTOMATED CLEARING HOUSE (ACH)**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 210

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/22/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Catherine McHugh  
 Phone: 202 874-7497  
 Email: catherine.mchugh@fms.treas.gov

**RIN:** 1510-AA97

**2478. FEDERAL GOVERNMENT PARTICIPATION IN THE AUTOMATED CLEARING HOUSE (ACH)**

**Priority:** Other Significant

**CFR Citation:** 31 CFR 210

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/22/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Donald Skiles  
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**RIN:** 1510-AA98

BILLING CODE 4810-35-S

**Department of the Treasury (TREAS)**  
**Alcohol and Tobacco Tax and Trade Bureau (TTB)**

**Proposed Rule Stage**

**ALCOHOL**

**2479. PROHIBITION OF ALCOHOL BEVERAGE CONTAINERS AND STANDARD OF FILL FOR DISTILLED SPIRITS AND WINE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 4; 27 CFR 5; 27 CFR 7

**Legal Deadline:** None

**Abstract:** TTB proposes to amend regulations to clarify the standards of fill for distilled spirits and wine. TTB also proposes to amend regulations to prohibit certain alcohol beverage

containers that are likely to mislead consumers as to the identity or character of the distilled spirits, wine, or malt beverage products or to be confused with other (nonalcohol) food products.

**Timetable:**

Action	Date	FR Cite
NPRM	02/09/99	64 FR 6486
NPRM Comment Period End	04/12/99	
Revised NPRM—Aggregate Packaging	08/00/05	
Revised NPRM—Deceptive Packaging	08/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AB89

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660

Phone: 301 290-1460

Fax: 301 290-1463

Email: lisa.gesser@ttb.treas.gov

**RIN:** 1513-AA07

**Administrative/Procedures**

**2480. • AVAILABILITY OF INFORMATION**

**Priority:** Info./Admin./Other

**Legal Authority:** 26 USC 6103; 5 USC 552; 5 USC 552(a)

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** TTB is revising and consolidating in one new part of its regulations all regulatory provisions that deal with the availability of information. This new part will include rules regarding the disclosure of information pursuant to the Freedom of Information Act and the Privacy Act of 1974 and in connection with litigation or other legal proceedings.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jessica Bungard, Management Analyst, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Room 200E, Washington, DC 20220  
 Phone: 202 927-8210  
 Fax: 202 927-8525  
 Email: jessica.bungard@ttb.gov

**RIN:** 1513-AA98

**2481. DETERMINATION OF TAX AND RECORDKEEPING ON LARGE CIGARS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 5701; 27 USC 5702

**CFR Citation:** 27 CFR 40; 27 CFR 275

**Legal Deadline:** None

**Abstract:** This notice incorporates most of the parts of Industry Circular 91-3, dated March 19, 1991, entitled "Large Cigar Taxes On and After January, 1991" that have not been placed in the regulations. Industry Circular 91-3 addressed questions about determining the amount of tax for large cigars based on their sale price. In addition, this notice proposes: 1) to give guidance on tax adjustments for large cigars provided at no cost in connection with a sale, and 2) recordkeeping requirements for persons in Puerto Rico, who bring large cigars upon prepayment or deferred payment of tax into the United States from Puerto Rico.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC22

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau,

Room 200E, 1310 G Street NW., Washington, DC 20220  
 Phone: 202 927-8181  
 Fax: 202 927-8525  
 Email: wade-chapman.linda@ttb.gov

**RIN:** 1513-AA16

**2482. PROPOSED REVISIONS TO THE DISTILLED SPIRITS PLANT REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 27 CFR 19

**Legal Deadline:** None

**Abstract:** TTB is proposing to amend the distilled spirits plant regulations in 27 CFR part 19. Many of these proposed revisions are the result of a petition submitted by the Distilled Spirits Council of the United States (DISCUS). Other proposed revisions are a result of TTB's own comprehensive review of the regulations in 27 CFR part 19. TTB believes that the amendments proposed in this notice will benefit the distilled spirits industry by modernizing many of the requirements for operating distilled spirits plants and thereby allow proprietors to operate in a more efficient manner.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

## TREAS—TTB

## Proposed Rule Stage

**Additional Information:** Transferred from RIN 1512-AC52

**Agency Contact:** Daniel J. Hiland, Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Room 200E, Washington, DC 20220  
Phone: 202 927-8210  
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**RIN:** 1513-AA23

#### 2483. REGULATORY CHANGES FROM CUSTOMS SERVICE FINAL RULE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 27 CFR 44

**Legal Deadline:** None

**Abstract:** The temporary rule prescribes TTB regulations relating to a final rule (T.D. 92-181, 57 FR 37692), published by the former U.S. Customs Service (USCS). The USCS published this final rule to create a separate class of customs bonded warehouse duty-free store (class 9). A class 9 customs bonded warehouse may receive tobacco products or cigarette papers or tubes without payment of Federal excise tax. The temporary rule prescribes the regulations that allow a manufacturer of tobacco products or cigarette papers and tubes and an export warehouse proprietor to send such articles to a class 9 customs bonded warehouse. In addition, the temporary rule prescribes regulations that allow a proprietor of a customs bonded manufacturing warehouse to send such cigars to a class 9 customs bonded warehouse. This notice of proposed rulemaking invites comments on the temporary rule.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC56

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

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Fax: 202 927-8525  
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**RIN:** 1513-AA26

#### 2484. SHIPMENTS OF TOBACCO PRODUCTS OR CIGARETTE PAPERS OR TUBES WITHOUT PAYMENT OF TAX

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 27 CFR 40; 27 CFR 275

**Legal Deadline:** None

**Abstract:** The proposed rule clarifies regulations and establishes procedures governing tobacco products or cigarette papers or tubes brought in bond from Puerto Rico to the United States. In addition, the proposed rule would allow a manufacturer of tobacco products to receive in bond, cigarette papers and tubes for placement in packages of roll-your-own tobacco, and would eliminate filing bond extensions for tobacco products and cigarette papers or tubes from the U.S. Virgin Islands.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC57

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8181  
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Email: wade-chapman.linda@ttb.gov

**RIN:** 1513-AA27

#### 2485. TAX-PAID DISTILLED SPIRITS USED IN MANUFACTURING PRODUCTS UNFIT FOR BEVERAGE USE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5010; 26 USC 5131 to 5134; 26 USC 5143; 26 USC 5206; 26 USC 5273; ...

**CFR Citation:** 27 CFR 17

**Legal Deadline:** None

**Abstract:** TTB proposes to amend the regulations on tax-paid distilled spirits used to manufacture nonbeverage products to allow manufactures to use natural and artificial one percent solutions without having to file Form 5154.1, Formula and Process for Nonbeverage Product. This proposal is part of an ongoing effort to streamline the TTB Alcohol and Tobacco Laboratory's flavor formula approval process.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC73

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
Phone: 202 927-8181  
Fax: 202 927-8525  
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**RIN:** 1513-AA37

#### 2486. PROPOSED ADDITION OF NEW GRAPE VARIETY NAMES FOR AMERICAN WINES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 4

**Legal Deadline:** None

**Abstract:** TTB has received petitions proposing to add several names to the list of grape variety names used to designate American wines.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC79

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury,

## TREAS—TTB

## Proposed Rule Stage

Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

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Email: jennifer.berry@ttb.treas.gov

RIN: 1513-AA42

#### 2487. MARKS, LABELS, NOTICES AND BONDS FOR, AND REMOVAL OF, TOBACCO PRODUCTS, AND CIGARETTE PAPERS AND TUBES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5704; 26 USC 7805

**CFR Citation:** 27 CFR 40; 27 CFR 275

**Legal Deadline:** None

**Abstract:** This notice of proposed rulemaking requires labels, notices, and marks for removals, in bond, of tobacco products or cigarette papers and tubes that are not in packages. This notice proposes new sections that prohibit the removal of tobacco products or cigarette papers or tubes that are not in packages for domestic uses. Packages are the immediate containers in which a manufacturer or importer places the tobacco products or cigarette papers or tubes for sale or delivery to the consumer. Also, this notice broadens the language for extending bonds so that manufacturers may receive tobacco products, cigarette papers and tubes, without payment of tax, from Puerto Rico. This notice may affect the operations conducted by manufacturers of tobacco products or cigarette papers and tubes and importers of tobacco products.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC90

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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RIN: 1513-AA49

#### 2488. PETITION TO ESTABLISH "SANTA MARIA BENCH" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition from Cambria Winery and Vineyard proposing to establish the "Santa Maria Bench" viticultural area in Santa Barbara County, California. The petitioned viticultural area has 3,200 acres, with 1,500 acres planted to wine grapes, and is within the established Santa Maria and the Central Coast viticultural areas.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC93

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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Email: wade-chapman.linda@ttb.gov

RIN: 1513-AA51

#### 2489. IN-TRANSIT STOPS OF TOBACCO PRODUCTS, AND CIGARETTE PAPERS AND TUBES WITHOUT PAYMENT OF TAX

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5704

**CFR Citation:** 27 CFR 40; 27 CFR 44

**Legal Deadline:** None

**Abstract:** This notice is the result of a petition from the Cigar Association of America and the Pipe Tobacco Council. The petition requests that TTB change its position regarding in-transit stops of tobacco products and cigarette papers and tubes after removal without payment of tax from a factory. TTB has taken the position that the law provides that manufacturers may remove the tobacco products and cigarette papers

and tubes by paying the excise tax and subsequently filing a claim for drawback. This notice proposes to clarify the regulations to recognize such in-transit stops and specifies records that manufacturers and export warehouse proprietors maintain relating to the removals without payment of tax.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC95

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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RIN: 1513-AA52

#### 2490. PETITION TO EXPAND THE LIVERMORE VALLEY VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition proposing to expand the boundaries of approved American viticultural area Livermore Valley located in the State of California. The proposed expanded boundaries encompass approximately 259,000 acres, of which 4,355 acres are devoted to vineyards. The expansion would add approximately 163,000 acres, 120 acres of vineyards and four wineries to the area. NPRM is being reviewed.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC99

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## Proposed Rule Stage

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA54

**2491. SAN FRANCISCO BAY AND CENTRAL COAST VITICULTURAL AREAS—BOUNDARY REALIGNMENT/EXPANSION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition proposing an expansion/realignment of the boundaries of approved American viticultural areas San Francisco Bay and Central Coast located in the State of California. In total, the proposed expanded boundaries encompass approximately 20,000 acres. The NPRM is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AD00

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA55

**2492. PETITION TO ESTABLISH THE "FORT ROSS SEAVIEW" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The proposed 27,500-acre Fort Ross-Seaview viticultural area is in

the North Coast and Sonoma Coast viticultural areas. It is approximately 65 miles north-northwest from San Francisco, close to the Pacific coastline. A significant distinguishing factor of the viticultural area, based on its 920 feet and 1,800 feet elevations, is the sunny and warm growing season that contrasts to the surrounding foggy and cooler lower elevations. The draft notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA64

**2493. PETITION TO ESTABLISH "GRAND LAKE O' THE CHEROKEES" AS A NEW AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition proposing "Grand Lake O' the Cherokees" as a new American viticultural area in Oklahoma. The proposed area is located in the northeastern region of the State. The proposed viticultural area encompasses Craig and portions of Ottawa, Delaware, and Hayes Counties.

**Timetable:**

Action	Date	FR Cite
NPRM	04/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC97

**Agency Contact:** Rita Butler, Writer-Editor, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA66

**2494. PETITION NO. 2 TO EXPAND THE RUSSIAN RIVER VALLEY VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The proposed Russian River Valley viticultural area expansion increases the original boundaries by 30,200 acres to the east and south sides. The notice of proposed rulemaking is in review. Earlier TTB received a separate Russian River Valley viticultural area expansion petition (RIN 1513-AA68) for a 767-acre expansion. This area is incorporated in the larger 30,200-acre expansion noted above. The final rule was effective February 2, 2004.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**Related RIN:** Related to 1513-AA68

**RIN:** 1513-AA67

**2495. PETITION TO ESTABLISH THE "SHAWNEE HILLS" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205(e)

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None



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**Abstract:** TTB requests comments concerning the proposed establishment of the “Shawnee Hills” viticultural area in southern Illinois. The proposed Shawnee Hills viticultural area is approximately 80 miles long from the Ohio River on the east to the Mississippi River on the west, and approximately 20 miles wide from north to south. Approximately 160 acres are planted with wine varietals.

**Timetable:**

Action	Date	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Rita Butler, Writer-Editor, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA70

#### 2496. PROPOSED AMENDED BOUNDARIES FOR THE SANTA LUCIA HIGHLANDS AND THE ARROYO SECO VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205(e)**CFR Citation:** 27 CFR 9.139; 27 CFR 9.59**Legal Deadline:** None

**Abstract:** TTB requests comments concerning the proposed changes to the boundaries of the Santa Lucia Highlands and Arroyo Seco viticultural areas located in Monterey County, California. The proposed boundary change extends portions of the Santa Luca Highlands viticultural area and curtails the Arroyo Seco viticultural area. A notice of proposed rulemaking is being drafted.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the

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**RIN:** 1513-AA72

#### 2497. PETITION TO ESTABLISH “TEXOMA” AS A VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** We have received a petition for the establishment of a viticultural area in north central Texas to be called “Texoma.”

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

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**RIN:** 1513-AA77

#### 2498. PETITION TO ESTABLISH THE “HIGH VALLEY” VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB has received a petition to establish the “High Valley” viticultural area, which is located about 85 miles north of San Francisco, California, on the eastern shore of Clear Lake. A notice of proposed rulemaking is in TTB review.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA79

#### 2499. PROPOSED ESTABLISHMENT OF ALTA MESA VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 55,400-acre “Alta Mesa” viticultural area in the north central portion of the established Lodi viticultural area. The most distinguishing features of the area include “Alta Mesa,” a table-top landform, and San Joaquin soil series that dominates 90 percent of the land. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area boundaries. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA82

#### 2500. PROPOSED ESTABLISHMENT OF THE COSUMNES RIVER VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205

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## Proposed Rule Stage

**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes to establish the 54,700-acre “Cosumnes River” viticultural area in the northwest portion of the established Lodi viticultural area. The most distinguishing features of the area include the cool and windy climate, alluvial soils, and low elevation terrain. The Committee is petitioning for seven new viticultural areas within the boundaries of the original Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA83**2501. PROPOSED ESTABLISHMENT OF DEER CREEK HILLS VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes to establish the 78,800-acre “Deer Creek Hills” viticultural area within the northeast portion of the established Lodi viticultural area. The distinctive viticultural environment of the proposed Deer Creek Hills viticultural area includes warm temperatures, significant rain and fog, high elevations and old soils. The Committee is petitioning for seven new viticultural areas within the original boundaries of the Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA84**2502. PROPOSED ESTABLISHMENT OF MOKELUMNE RIVER VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 85,700-acre “Mokelumne River” viticultural area in the southwest portion of the established Lodi viticultural area. The most distinguishing factors of the area include the alluvial fan with its topography and geology in contrast to the surrounding areas, and the cool, breezy climate. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA85**2503. PROPOSED ESTABLISHMENT OF JAHANT VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 28,000-acre “Jahant” viticultural area, located in the central-west portion of the established Lodi viticultural area. The most distinguishing features of the area are the pink Jahant loam soil with its unique grape-growing qualities, the terrain with its river terraces and old floodplain deposits, and the cool, dry, and windy climate. The Committee is petitioning for seven new viticultural areas within the boundaries of the original Lodi viticultural area. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA86**2504. PROPOSED ESTABLISHMENT OF BORDEN RANCH VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 70,000-acre “Borden Ranch” viticultural area in the east central

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portion of the Lodi viticultural area. The most distinctive features include old alluvial fans, river terraces and plains, high elevations and a windswept climate. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area boundaries. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA87**2505. PROPOSED ESTABLISHMENT OF CLEMENTS HILLS VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The Lodi American Viticultural Areas (LAVA) Steering Committee proposes the establishment of the 84,500-acre "Clements Hills" viticultural area in the southeast portion of the established Lodi viticultural area. It is a topographic transition area between the low and flat San Joaquin Valley floor to the west and the progressively more mountainous Sierra Foothills to the east. The most distinguishing features of the Clements Hills area are the high elevation river terraces and rounded hilltops. The Committee is petitioning for seven new viticultural areas within the original Lodi viticultural area boundaries. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA88**2506. PROPOSED ESTABLISHMENT OF THE MT. OSO VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** The proposed Mt. Oso viticultural area, about 15 miles long and 5 miles wide with 1,005 acres of vineyards, is nestled in the foothills between the San Joaquin Valley and the Diablo Range in San Joaquin and Stanislaus counties in California. The sloping hillside topography includes streams and alluvial fans and plains. The distinguishing climatic features of this 38,414-acre proposed area include limited rainfall and persistent winds, along with sparse fog, frost, and dew. A notice of proposed rulemaking is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA89**2507. PROPOSED ESTABLISHMENT OF COVELO VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** Ralph Carter of Sonoma, California is petitioning to establish Covelo as an American viticultural area. Covelo area is 164 miles north of San Francisco and immediately south of the Round Valley Indian Reservation in northern CA. The proposed area has 38,000 acres with two acres of planted grape vines, but more area that the petitioner believes has good viticultural potential. The distinctive features include the bowl-shape of the Covelo valley area that contrasts to the narrow valleys, with north-south orientations, commonly found in Mendocino County. Also, it has a short grape-growing season when compared to other Mendocino County viticultural areas. A notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA90**2508. PROPOSED ESTABLISHMENT OF HORSE HEAVEN HILLS****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** Paul D. Lucas is proposing the establishment of the 570,000-acre Horse Heaven Hills viticultural area. It is in the southern central part of Washington, east of the Cascade Mountain Range and north and west of the Columbia River, and is entirely

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within the Columbia Valley viticultural area. The Horse Heaven Hills area is noted for its series of south facing slopes and significant wind patterns. A notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA91

### 2509. PETITION TO ESTABLISH "CALISTOGA" AS AN AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** In response to a petition, the Alcohol and Tobacco Tax and Trade Bureau proposes to establish the Calistoga viticultural area in Calistoga, Napa Valley, California. We designate viticultural areas to allow bottlers to better describe the origin of wines and allow consumers to better identify the wines they may purchase. We invite comments on this proposed addition to our regulations, particularly from bottlers who use brand names similar to Calistoga.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660

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**RIN:** 1513-AA92

### 2510. RAMONA VALLEY VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** The proposed 89,000-acre Ramona Valley viticultural area is in San Diego County, CA, and totally within the established, larger South Coast viticultural area. The distinguishing factors of the Ramona Valley area, according to the petition, include its high-elevation geography, climate that is based primarily on its inland location, and soils, to a lesser extent. There are currently 45 acres of vineyards in commercial production. A notice of proposed rulemaking is in review.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	
NPRM Comment Period End	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA94

### 2511. DOS RIOS VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** Ralph Jens Carter of Sonoma, California, is proposing the new Dos Rios AVA, located about 5 miles beyond the northern boundary of the North Coast AVA. Dos Rios is about 150 miles north of San Francisco and

25 miles east of the Pacific Ocean. The distinguishing factors of the Dos Rios area include significant wind patterns, a transitional climate, elevations between 800 feet and 2000 feet, sloping terrains with 30 percent to 75 percent inclines, relatively infertile soils, and close proximity to two rivers. The petitioner states the area has six acres of planted commercial vineyards and the potential for more viticultural growth. A notice of proposed rulemaking is being drafted.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	
NPRM Comment Period End	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA95

### 2512. • NIAGARA ESCARPMENT VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing "Niagara Escarpment" as a new American viticultural area in New York.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

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## TREAS—TTB

## Proposed Rule Stage

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 RIN: 1513-AA97

**Department of the Treasury (TREAS)**  
**Alcohol and Tobacco Tax and Trade Bureau (TTB)**

## Final Rule Stage

## ALCOHOL

**2513. PETITION TO ESTABLISH  
 "ALEXANDRIA LAKES" AS A NEW  
 AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB proposes to establish "Alexandria Lakes" as a new American viticultural area. The proposed area is

located in Douglas County, Minnesota. This proposal is a result of a petition filed by Robert G. Johnson on behalf of Carlos Creek Winery.

**Timetable:**

Action	Date	FR Cite
NPRM	01/23/03	68 FR 3199
NPRM Comment Period End	03/24/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis  
 Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC85

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660

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**RIN:** 1513-AA45

## Administrative/Procedures

**2514. ADMINISTRATIVE CHANGES TO  
 ALCOHOL, TOBACCO, AND  
 FIREARMS REGULATIONS DUE TO  
 THE HOMELAND SECURITY ACT OF  
 2002**

**Priority:** Info./Admin./Other

**Legal Authority:** PL 107-296; ...

**CFR Citation:** 27 CFR 1; 27 CFR 4; 27 CFR 5; 27 CFR 6; 27 CFR 8; ...

**Legal Deadline:** None

**Abstract:** The Homeland Security Act of 2002 divided the Bureau of Alcohol,

Tobacco and Firearms, Department of the Treasury, into two separate agencies, the Bureau of Alcohol, Tobacco, Firearms and Explosives in the Department of Justice, and the Alcohol and Tobacco Tax and Trade Bureau in the Department of the Treasury. Due to these changes, this final rule amends the Alcohol and Tobacco Tax and Trade Bureau's regulations to reflect the Bureau's new name and organizational structure.

**Timetable:**

Action	Date	FR Cite
Final Action	03/00/05	

**Regulatory Flexibility Analysis  
 Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Lisa M. Gesser, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 128, Morganza, MD 20660

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**RIN:** 1513-AA80

## TOBACCO PRODUCTS

**2515. • REMOVAL OF TOBACCO  
 PRODUCTS AND CIGARETTE PAPERS  
 AND TUBES, WITHOUT PAYMENT OF  
 TAX, FOR UNITED STATES USE IN  
 LAW ENFORCEMENT ACTIVITIES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 5703; 26 USC 5704; 26 USC 5705; 26 USC 5723; 26 USC 5741; 26 USC 5751; 26 USC 5762; 26 USC 5763; 26 USC 6313; 26 USC 7212; 26 USC 7342; 26 USC 7606; 26 USC 7805; 44 USC 3504(h)

**CFR Citation:** 27 CFR 45.31

**Legal Deadline:** None

**Abstract:** The Department of the Treasury and the Alcohol and Tobacco Tax and Trade Bureau propose to amend the regulations relating to the removal of tobacco products and cigarette papers and tubes, without payment of tax, for use of the United States. Specifically, we propose to allow manufacturers of tobacco products and cigarette papers and tubes to remove these articles without payment of tax for use by Federal agencies in their law enforcement activities, and to exempt packages of those removed products from the tax-exempt labeling requirement. We take this action to timely meet the needs

of Federal law enforcement operations, particularly investigations involving tobacco diversion and cigarette smuggling.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	07/00/05	

**Regulatory Flexibility Analysis  
 Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Linda Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220

## TREAS—TTB

## Final Rule Stage

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 RIN: 1513-AA99

### 2516. IMPLEMENTATION OF PUBLIC LAW 105-33, SECTION 9302, REQUIRING THE QUALIFICATION OF TOBACCO PRODUCT IMPORTERS AND MISCELLANEOUS TECHNICAL AMENDMENTS

**Priority:** Substantive, Nonsignificant  
**Legal Authority:** 26 USC 5712; 26 USC 5713  
**CFR Citation:** 27 CFR 275

**Legal Deadline:** Other, Statutory, January 1, 2000, Interim Final Rule.

**Abstract:** These regulations will implement section 9302 provisions of Public Law 105-33, requiring permits for businesses engaged in importing tobacco products. Also, minor technical amendments have been included in this rule.

#### Timetable:

Action	Date	FR Cite
NPRM	12/22/99	64 FR 71955
Interim Final Rule	12/22/99	64 FR 71947
Interim Final Rule Effective	01/01/00	
Interim Final Rule Comment Period End	05/03/00	65 FR 17477
Final Action	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC07

**Agency Contact:** Linda Wade-Chapman, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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 RIN: 1513-AA10

### 2517. FLAVORED MALT BEVERAGES AND RELATED PROPOSALS

**Priority:** Substantive, Nonsignificant  
**Legal Authority:** 27 USC 211; 27 USC 205; 26 USC 5052  
**CFR Citation:** 27 CFR 7; 27 CFR 25

**Legal Deadline:** None

**Abstract:** TTB issued ATF Rulings 96-1 and 2002-2 to address production and labeling of flavored malt beverages that derive their alcohol content from flavoring materials. TTB has studied the issue of flavored malt beverages and is proposing rules to limit the contribution of distilled spirits derived from flavoring materials in flavored malt beverages. These proposals address production, identity, labeling, formulation, and tax issues related to flavored malt beverages.

#### Timetable:

Action	Date	FR Cite
NPRM	03/24/03	68 FR 14292
NPRM Comment Period End	06/23/03	
NPRM Comment Period End Extended	06/02/03	68 FR 32698
Extended Comment Period End	10/21/03	
Final Action	12/00/04	
Final Action Effective	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC11

#### URL For Public Comments:

[http://www.ttb.gov/foia/nprm\\_comments/ttbnotice04\\_comments.htm](http://www.ttb.gov/foia/nprm_comments/ttbnotice04_comments.htm)

**Agency Contact:** Charles N. Bacon, Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 5056, Beverly Farms, MA 01915  
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 Email: charles.bacon@ttb.treas.gov

RIN: 1513-AA12

### 2518. LIQUOR DEALERS; RECODIFICATION OF REGULATIONS

**Priority:** Info./Admin./Other

**Legal Authority:** 26 USC 7805

**CFR Citation:** 27 CFR 31; 27 CFR 194;

...

**Legal Deadline:** None

**Abstract:** TTB is recodifying the regulations pertaining to liquor dealers. The purpose of this recodification is to reissue the regulations in part 194 of title 27 of the Code of Federal

Regulations (CFR) as 27 CFR part 31. This change improves the organization of title 27 CFR. In addition, due to the reorganization of ATF into two separate bureaus, we are making nomenclature changes to this part.

#### Timetable:

Action	Date	FR Cite
Final Action	07/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC45

**Agency Contact:** Karl Joedicke, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Room 200E, Washington, DC 20220  
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RIN: 1513-AA19

### 2519. PRODUCTION OF DRIED FRUIT AND HONEY WINES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5381; 26 USC 5382; 26 USC 5385; 26 USC 5386; 26 USC 5387

**CFR Citation:** 27 CFR 24

**Legal Deadline:** None

**Abstract:** TTB has received two petitions relating to the production of agricultural wines. One petition proposes that the wine regulations be amended to allow for the production of dried fruit wines with an alcohol by volume content of more than 14 percent. The second petition proposes that the regulations be amended to allow for the production of honey wines with a starting Brix of less than 22 degrees.

#### Timetable:

Action	Date	FR Cite
NPRM	07/02/03	68 FR 39500
NPRM Comment Period End	09/02/03	
Final Action	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC48

## TREAS—TTB

## Final Rule Stage

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014  
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**RIN:** 1513-AA21

**2520. PETITION TO ESTABLISH THE "TRINITY LAKE" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition from Keith Groves of Alpen Cellars proposing the establishment of a viticultural area located in Trinity County, California. The proposed Trinity Lake viticultural area consists of approximately 96,000 acres.

**Timetable:**

Action	Date	FR Cite
NPRM	12/17/03	68 FR 70215
NPRM Comment Period End	02/17/04	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC62

**Agency Contact:** Rita Butler, Writer-Editor, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA29

**2521. PROPOSAL TO RECOGNIZE SYNONYMS FOR PETITE SIRAH AND ZINFANDEL GRAPE VARIETIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 4

**Legal Deadline:** None

**Abstract:** TTB is proposing to amend the list of prime grape names for American wines to recognize the name

"Durif" as a synonym for the Petite Sirah grape and to recognize the name "Primitivo" as a synonym for the Zinfandel grape. This is in response to the result of recent DNA research into the identity of these grape varieties.

**Timetable:**

Action	Date	FR Cite
NPRM	04/10/02	67 FR 17312
NPRM Comment Period Extended	06/06/02	67 FR 38915
NPRM Comment Period End	10/08/02	
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC65

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014  
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**RIN:** 1513-AA32

**2522. PETITION FOR THE ESTABLISHMENT OF "RED HILL" AS AN AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 205(e)

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB received a petition proposing the establishment of "Red Hill" as an American viticultural area located within the State of Oregon. The proposed viticultural area consists of approximately 1,668 acres or 8.6 square miles. Comments are being reviewed along with petitioner's rebuttal.

**Timetable:**

Action	Date	FR Cite
NPRM	10/30/02	67 FR 66079
NPRM Comment Period End	12/30/02	
NPRM Comment Period Reopened	01/16/03	68 FR 2262
Second NPRM Comment Period End	03/17/03	
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC76

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA39

**2523. PETITION TO ESTABLISH "EOLA HILLS" AS A NEW AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of "Eola Hills" as a new American viticultural area in Oregon.

**Timetable:**

Action	Date	FR Cite
NPRM	09/08/03	68 FR 52875
NPRM Comment Period End	11/07/03	
Comment Period Extended	11/07/03	68 FR 63042
Extended Comment Period End	01/06/04	
Final Action	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC78

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**RIN:** 1513-AA41

**2524. ORGANIC CLAIMS IN LABELING AND ADVERTISING OF ALCOHOL BEVERAGES**

**Priority:** Info./Admin./Other

**Legal Authority:** 27 USC 205

## TREAS—TTB

## Final Rule Stage

**CFR Citation:** 27 CFR 4; 27 CFR 5; 27 CFR 7; 27 CFR 13

**Legal Deadline:** None

**Abstract:** TTB amended its alcohol beverage labeling rules to cross-reference the United States Department of Agriculture's National Organic Program (NOP) rules. The mandatory compliance date for the NOP rules was October 21, 2002. TTB requested comments on the temporary rule in an associated notice of proposed rulemaking. Comments were due March 27, 2003.

**Timetable:**

Action	Date	FR Cite
NPRM	10/08/02	67 FR 62860
Temporary Rule	10/08/02	67 FR 62856
NPRM Comment	12/27/02	67 FR 79011
Period Reopened		
NPRM Comment	05/09/03	68 FR 24903
Period Reopened		
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC87

**Agency Contact:** Marjorie D. Ruhf, Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 200E, 1310 G Street NW., Washington, DC 20220  
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**RIN:** 1513-AA46

### 2525. PETITION TO ESTABLISH "DUNDEE HILLS" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition from the North Willamette Valley AVA Group proposing to establish the "Dundee Hills" American viticultural area in Yamhill County, Oregon. This petitioned viticultural area has 6,490 acres, with 1,264 acres planted to wine grapes, and is on the north side of the Willamette Valley viticultural area in northwest Oregon. In November 2002, the petitioning group amended their viticultural area petition from the Red

Hills of Dundee to the Dundee Hills to avoid confusion with any other Red Hills viticultural area. Substantiating name evidence for the "Dundee Hills" name has been provided. The notice of proposed rulemaking published August 15, 2003. The final notice is in TTB review.

**Timetable:**

Action	Date	FR Cite
NPRM	08/15/03	68 FR 48839
NPRM Comment	10/14/03	
Period End		
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC91

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA50

### 2526. PETITION TO ESTABLISH "CHEHALEM MOUNTAINS" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of the "Chehalem Mountains" viticultural area located in Yamhill, Washington, and Clackamas Counties, Oregon. A draft final rule is being prepared.

**Timetable:**

Action	Date	FR Cite
NPRM	10/07/03	68 FR 57840
NPRM Comment	12/08/03	
Period End		
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AD02

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA57

### 2527. PETITION TO ESTABLISH "RIBBON RIDGE" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing the establishment of the "Ribbon Ridge" viticultural area located in the northern part of Yamhill County, Oregon between Newberg and Gaston. A draft final rule is being reviewed.

**Timetable:**

Action	Date	FR Cite
NPRM	11/03/03	68 FR 62259
NPRM Comment	01/02/04	
Period End		
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AD03

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA58

### 2528. PETITION TO ESTABLISH "YAMHILL-CARLTON DISTRICT" AS A NEW AMERICAN VITICULTURAL AREA

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 27 USC 205

**CFR Citation:** 27 CFR 9

**Legal Deadline:** None



## TREAS—TTB

## Final Rule Stage

**Abstract:** TTB has received a petition proposing the establishment of the "Yamhill-Carlton District" viticultural area. The proposed area falls within the approved boundaries of the Willamette Valley viticultural area in northwest Oregon. Draft final ruling is being prepared.

**Timetable:**

Action	Date	FR Cite
NPRM	10/07/03	68 FR 57845
NPRM Comment Period End	12/08/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** Transferred from RIN 1512-AD04

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**RIN:** 1513-AA59**2529. LABELING AND ADVERTISING OF MALT BEVERAGES****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 7**Legal Deadline:** None

**Abstract:** This project revises malt beverage advertising and labeling regulations in plain language. This revision will make no substantive changes to the current 27 CFR part 7.

**Timetable:**

Action	Date	FR Cite
NPRM	06/27/02	67 FR 43496
NPRM Comment Period End	08/26/02	
NPRM Comment Period Extended	08/27/02	67 FR 54388
NPRM Comment Period End	09/25/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Additional Information:** Transferred from RIN 1512-AC10

**URL For Public Comments:**

www.ttb.gov/foia/nprm\_comments/notice946\_comments.htm

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**RIN:** 1513-AA60**2530. PETITION TO ESTABLISH "MCMINNVILLE" AS AN AMERICAN VITICULTURAL AREA IN OREGON****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB has received a petition proposing "McMinnville" as a new American viticultural area in Oregon.

**Timetable:**

Action	Date	FR Cite
NPRM	06/27/03	68 FR 38248
NPRM Comment Period End	08/26/03	
Final Action	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

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**RIN:** 1513-AA63**2531. PETITION TO ESTABLISH "SOUTHERN OREGON" AS A VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**Legal Authority:** 27 USC 205**CFR Citation:** 27 CFR 9**Legal Deadline:** None

**Abstract:** TTB proposes to establish the Southern Oregon viticultural area in portions of Douglas, Jackson, and

Josephine Counties in southwestern Oregon. A final rule is in TTB review.

**Timetable:**

Action	Date	FR Cite
NPRM	09/18/03	68 FR 54696
NPRM Comment Period End	11/17/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Nancy Sutton, AVA Program Manager, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Room 5000, Room 200E, 1310 G Street NW., Washington, DC 20220

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**Related RIN:** Previously reported as 1512-AC81

**RIN:** 1513-AA75**2532. ● MATERIALS AUTHORIZED FOR THE TREATMENT OF WINE AND JUICE; PROCESSES AUTHORIZED FOR THE TREATMENT OF WINE, JUICE, AND DISTILLING MATERIAL****Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 5381; 26 USC 5382; 26 USC 5385; 26 USC 5386; 26 USC 5387

**CFR Citation:** 24 CFR 246; 24 CFR 248**Legal Deadline:** None

**Abstract:** TTB is revising its lists of approved wine treating materials and processes to add several new materials and processes and revise existing limitations for a few others.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Jennifer Berry, TTB Specialist, Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 18152, Roanoke, VA 24014

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## TREAS—TTB

Final Rule Stage

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RIN: 1513-AA96

## Department of the Treasury (TREAS)

Long-Term Actions

## Alcohol and Tobacco Tax and Trade Bureau (TTB)

## 2533. EXPORTATION OF LIQUORS

Priority: Substantive, Nonsignificant

CFR Citation: 27 CFR 252

## Timetable:

Action	Date	FR Cite
ANPRM	09/08/92	57 FR 40887
ANPRM Comment Period End	10/08/92	
ANPRM Comment Period Extended	10/15/92	57 FR 47320
ANPRM Comment Period Extended End	12/07/92	
ANPRM	08/09/96	61 FR 41500
ANPRM Comment Period End	12/10/96	
NPRM	12/00/05	

## Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

## Agency Contact: Joanne Brady

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RIN: 1513-AA00

## 2534. IMPLEMENTATION OF WINE CREDIT PROVISIONS OF PUBLIC LAW 104-188

Priority: Substantive, Nonsignificant

CFR Citation: 27 CFR 24.278; 27 CFR 24.279

## Timetable:

Action	Date	FR Cite
NPRM	06/02/97	62 FR 29681
NPRM Comment Period End	08/01/97	
Interim Final Rule Final Action	06/02/97 To Be	62 FR 29663 Determined

## Department of the Treasury (TREAS)

Completed Actions

## Alcohol and Tobacco Tax and Trade Bureau (TTB)

## 2538. REVISION OF BREWERY REGULATIONS AND ISSUANCE OF REGULATIONS FOR TAVERNS ON BREWERY PREMISES (BREWPUBS)

Priority: Substantive, Nonsignificant

CFR Citation: 27 CFR 7; 27 CFR 25

## Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

## Agency Contact: Marjorie D. Ruhf

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RIN: 1513-AA05

## 2535. IMPLEMENTATION OF PUBLIC LAW 105-34, SECTION 1416, RELATING TO REFUND OF TAX FOR DOMESTIC WINE RETURNED TO BOND REGARDLESS OF MERCHANTABILITY (TAXPAYER RELIEF ACT OF 1997)

Priority: Substantive, Nonsignificant

CFR Citation: 27 CFR 24.66; 27 CFR 24.295; 27 CFR 24.312

## Timetable:

Action	Date	FR Cite
Interim Final Rule	To Be	Determined

## Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

## Agency Contact: Marjorie D. Ruhf

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RIN: 1513-AA06

## 2536. AMENDED STANDARD OF IDENTITY FOR SHERRY

Priority: Substantive, Nonsignificant

CFR Citation: 27 CFR 4

## Timetable:

Action	Date	FR Cite
NPRM	To Be	Determined

## Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

## Agency Contact: Marjorie D. Ruhf

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RIN: 1513-AA08

## 2537. PROHIBITED MARKS ON PACKAGES OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES IMPORTED OR BROUGHT INTO THE UNITED STATES

Priority: Substantive, Nonsignificant

CFR Citation: 27 CFR 275

## Timetable:

Action	Date	FR Cite
NPRM	To Be	Determined

## Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

## Agency Contact: Linda

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RIN: 1513-AA14

## TREAS—TTB

## Completed Actions

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RIN: 1513-AA02

**2539. REMOVAL OF REQUIREMENT TO DISCLOSE SACCHARIN IN THE LABELING OF WINE, DISTILLED SPIRITS, AND MALT BEVERAGES**

**Priority:** Info./Admin./Other

**CFR Citation:** 27 CFR 4.32(d); 27 CFR 5.32(b)(6); 27 CFR 7.22(b)(5)

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/23/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA15

**2540. TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES SHIPPED FROM PUERTO RICO TO THE UNITED STATES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 275

**Completed:**

Reason	Date	FR Cite
Final Action	07/22/03	68 FR 43294

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA17

**2541. ELIMINATION OF STATISTICAL CLASSES FOR LARGE CIGARS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 40; 27 CFR 275

**Completed:**

Reason	Date	FR Cite
Final Action	07/22/04	69 FR 43294

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA18

**2542. IMPORTATION OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES; RECODIFICATION OF REGULATIONS**

**Priority:** Info./Admin./Other

**CFR Citation:** 27 CFR 41; 27 CFR 275

**Completed:**

Reason	Date	FR Cite
Final Action	08/26/04	69 FR 52421
Final Action Effective	08/26/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA20

**2543. PETITION TO ESTABLISH THE "SANTA BARBARA HIGHLANDS" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/23/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA24

**2544. PROPOSED "SAN BERNABE" VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	06/29/04	69 FR 38834
Final Action Effective	08/30/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA28

**2545. PETITION TO ESTABLISH "RED HILLS LAKE COUNTY" AMERICAN VITICULTURAL AREA**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 27 CFR 9

**Completed:**

Reason	Date	FR Cite
Final Action	07/12/04	69 FR 41750
Final Action Effective	09/10/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA33

**2546. ELIMINATE REQUIREMENT TO ENROLL TO PRACTICE BEFORE THE BUREAU**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 31 CFR 8

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/23/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1513-AA62

## TREAS—TTB

## Completed Actions

**2547. PETITION TO ESTABLISH THE "ALEXANDER MOUNTAIN" VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**CFR Citation:** 27 CFR 9**Completed:**

Reason	Date	FR Cite
Withdrawn	09/23/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Nancy Sutton

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**RIN:** 1513-AA65**2548. PETITION TO ESTABLISH THE "SALADO CREEK" VITICULTURAL AREA****Priority:** Substantive, Nonsignificant**CFR Citation:** 27 CFR 9**Completed:**

Reason	Date	FR Cite
Final Action	06/29/04	69 FR 38831
Final Action Effective	08/30/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Nancy Sutton

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**RIN:** 1513-AA69**2549. REMOVAL OF REQUIREMENT TO DISCLOSE SACCHARIN IN THE LABELING OF WINE, DISTILLED SPIRITS, AND MALT BEVERAGE****Priority:** Substantive, Nonsignificant**CFR Citation:** 27 CFR 4; 27 CFR 5; 27 CFR 7**Completed:**

Reason	Date	FR Cite
Final Action	06/16/04	69 FR 33572

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Lisa M. Gesser

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**RIN:** 1513-AA93**BILLING CODE** 4810-25-S**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)****Proposed Rule Stage****2550. RECORDKEEPING REQUIREMENTS FOR BANK EXCEPTIONS FROM SECURITIES BROKER OR DEALER REGISTRATION****Priority:** Other Significant**Legal Authority:** 12 USC 93a; 12 USC 1828(t)**CFR Citation:** Not Yet Determined**Legal Deadline:** None

**Abstract:** This joint rulemaking would implement section 204 of the Gramm-Leach-Bliley Act. Section 204 directs the Federal banking agencies to establish recordkeeping requirements for banks relying on exceptions to the definitions of "broker" and "dealer" contained in paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

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**RIN:** 1557-AB93**2551. COMMUNITY REINVESTMENT ACT REGULATION (12 CFR 25)****Priority:** Other Significant

**Legal Authority:** 12 USC 21; 12 USC 22; 12 USC 26; 12 USC 27; 12 USC 30; 12 USC 36; 12 USC 93a; 12 USC 161; 12 USC 215; 12 USC 215a; 12 USC 481; 12 USC 1814; 12 USC 1816; 12 USC 1828(c); 12 USC 1835a; 12 USC 2901 to 2907; 12 USC 3101 to 3111

**CFR Citation:** 12 CFR 25**Legal Deadline:** None

**Abstract:** OCC is considering revising certain provisions of its rules implementing the Community Reinvestment Act (CRA). This rulemaking would address the regulatory burden imposed on smaller national banks by revising the eligibility requirements for CRA evaluation under the lending, investment, and service tests. This rulemaking would also revise the definition of the term "community development" to include typical

community development activities, such as affordable housing and community services, in rural communities and designated disaster areas.

**Timetable:**

Action	Date	FR Cite
ANPRM	07/19/01	66 FR 37602
ANPRM Comment Period End	10/17/01	
NPRM	02/06/04	69 FR 5729
NPRM Comment Period End	04/06/04	
NPRM	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

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**RIN:** 1557-AB98

## TREAS—OCC

## Proposed Rule Stage

**2552. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES; LICENSING PROCEDURES****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1 et seq; 12 USC 93a**CFR Citation:** 12 CFR 4; 12 CFR 5; 12 CFR 19; 12 CFR 37**Legal Deadline:** None

**Abstract:** This rulemaking would update certain provisions and make technical changes to OCC rules governing corporate activities in 12 CFR part 5. The rulemaking also would make technical changes to certain provisions in 12 CFR part 4 to reflect OCC's recent organizational restructuring and to 12 CFR part 9 to reflect changes in regulations adopted by the Securities and Exchange Commission (SEC). Additionally, the rulemaking would amend subpart O of 12 CFR part 19 to combine current 12 CFR 19.240 and 19.241 into one section, and would make a technical correction to the regulation governing debt cancellation contracts (DCC's) and debt suspension agreements (DSAs) in 12 CFR part 37.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

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**RIN:** 1557-AC79

**2553. IDENTITY THEFT DETECTION, PREVENTION, AND MITIGATION PROGRAM FOR FINANCIAL INSTITUTIONS AND CREDITORS****Priority:** Other Significant. Major status under 5 USC 801 is undetermined.**Unfunded Mandates:** Undetermined**Legal Authority:** 15 USC 1681**CFR Citation:** 12 CFR 41**Legal Deadline:** None

**Abstract:** OCC, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration, and the Federal Trade Commission (the Agencies) are issuing a joint rulemaking to establish guidelines and regulations to implement section 114 of the Fair and Accurate Credit Transactions Act of 2003. Section 114 requires the Agencies to jointly issue guidelines for financial institutions and creditors identifying patterns, practices, and specific forms of activity, that indicate the possible existence of identity theft.

In addition, the Agencies must issue regulations requiring each financial institution and creditor to establish reasonable policies and procedures to implement the guidelines. The regulations must contain a provision requiring a card issuer to notify the cardholder if the card issuer receives a notice of change of address for an existing account, and a short time later receives a request for an additional or replacement card.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None

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**RIN:** 1557-AC87**2554. IMPLEMENTATION OF A REVISED BASEL CAPITAL ACCORD (BASEL II)**

**Regulatory Plan:** This entry is Seq. No. 113 in part II of this issue of the **Federal Register**.

**RIN:** 1557-AC91
**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**

## Final Rule Stage

**2555. ELECTRONIC FILING AND DISCLOSURE OF BENEFICIAL OWNERSHIP REPORTS****Priority:** Other Significant**Legal Authority:** 12 USC 93a; 15 USC 78l; 15 USC 78p**CFR Citation:** 12 CFR 11**Legal Deadline:** None

**Abstract:** The Sarbanes-Oxley Act of 2002 made amendments to section 16(a) of the Securities Exchange Act of 1934, which requires the filing of beneficial ownership reports by officers, directors, and principal shareholders of issuers of securities. OCC administers and enforces section 16(a) with respect to officers, directors,

and principal shareholders of national banks. Effective July 30, 2003, the amendments required that beneficial ownership reports be filed electronically and posted on the issuer's corporate website if it has a website. The rulemaking would require that beneficial ownership reports filed by officers, directors, and principal shareholders of national bank be filed electronically pursuant to the FDICconnect system and that the reports be placed on the website of national banks that have websites.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	09/22/03	68 FR 54981

Action	Date	FR Cite
Interim Final Rule Effective	09/22/03	68 FR 54891
Interim Final Rule Comment Period End	11/30/03	68 FR 54981
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

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## TREAS—OCC

Final Rule Stage

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RIN: 1557-AC75

### 2556. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES; OPERATING SUBSIDIARY ANNUAL REPORT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1 et seq; 12 USC 93a; 12 USC 481

**CFR Citation:** 12 CFR 5.34

**Legal Deadline:** None

**Abstract:** This rulemaking would revise OCC's rules governing national bank operating subsidiaries. The rulemaking would require a national bank to file an annual report with OCC that identifies its operating subsidiaries that do business with consumers and are not otherwise functionally regulated subsidiaries under section 5(c)(5) of the Bank Holding Company Act of 1956, as amended. The proposed annual filing would contain the name of each reportable operating subsidiary, its state of incorporation, and a brief description of its activities. OCC would then make this information available to the public on its Internet Web page. OCC anticipates that this rulemaking would not have a significant impact on national banks.

#### Timetable:

Action	Date	FR Cite
NPRM	03/25/04	69 FR 15260
NPRM Comment Period End	04/26/04	
Final Action	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

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RIN: 1557-AC81

### 2557. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES; CIVIL MONETARY PENALTIES ADJUSTMENT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 28 USC 2461 note

**CFR Citation:** 12 CFR 19.240; 12 CFR 19.241

**Legal Deadline:** Final, Statutory, December 11, 2004.  
 Adjustments must be made at least once every 4 years.

**Abstract:** This rulemaking would adjust civil money penalties to account for inflation. The Federal Civil Penalties Inflation Act of 1990 (Inflation Adjustment Act), as amended by the Debt Collection Improvement Act of 1996 (Debt Collection Act) requires federal agencies with authority to administer civil money penalties (CMPs) to publish regulations to adjust each CMP. The purpose of these adjustments is to maintain the deterrent effect of CMPs and to promote compliance with the law. The Debt Collection Act provides detailed instructions on the manner in which the inflation adjustment shall be calculated. The Inflation Adjustment Act requires adjustment to be made at least once every four years following the initial adjustment. OCC's prior adjustment to each CMP was published in the Federal Register on December 11, 2000 at 65 FR 77250 and became effective that same day. Accordingly, this final rule must be effective no later than December 11, 2004.

Because the Debt Collection Act provides OCC with no discretion in calculating the amount of the civil money penalty adjustment, notice and comment are unnecessary. Accordingly, the changes to the regulation will be issued as a final rule.

#### Timetable:

Action	Date	FR Cite
Final Action	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1557-AC82

### 2558. PROPER DISPOSAL OF CONSUMER INFORMATION

**Priority:** Other Significant

**Legal Authority:** 15 USC 1681s(b); 15 USC 1681w

**CFR Citation:** 12 CFR 30 app B; 12 CFR 41

**Legal Deadline:** Final, Statutory, December 4, 2004, 15 USC 1681w.  
 15 USC 1681W requires the banking agencies to issue final rules no later than one year after date of enactment of the statute.

**Abstract:** OCC, together with the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and the Office of the Thrift Supervision, (the banking agencies), are issuing a joint rulemaking to implement section 216 of the Fair and Accurate Credit Transactions Act of 2003. Section 216 requires the banking agencies, the National Credit Union Administration, the Securities and Exchange Commission, and the Federal Trade Commission to adopt consistent and comparable regulations, to the extent possible, requiring entities subject to their jurisdiction to properly dispose of consumer information as a means to reduce the risk of identity theft.

#### Timetable:

Action	Date	FR Cite
NPRM	06/08/04	69 FR 31913
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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RIN: 1557-AC84

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**2559. FAIR CREDIT REPORTING REGULATIONS; USE OF MEDICAL INFORMATION; FACT ACT**

**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 12 USC 1 et seq; 12 USC 24 (seventh); 12 USC 93a; 12 USC 481; 12 USC 484; 12 USC 1818; 15 USC 1681a; 15 USC 1681(b); 15 USC 1681(s)

**CFR Citation:** 12 CFR 41

**Legal Deadline:** None

**Abstract:** OCC is considering a rulemaking to implement section 411 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). Section 411(a) requires OCC to prescribe regulations that permit creditors to obtain or use medical information for certain credit eligibility purposes. Additionally, section 411(b) restricts the sharing of medical information and related lists or descriptions with affiliates. However, it permits sharing of experience information among affiliates and sharing other information among affiliates after providing the consumer notice and an opportunity to opt-out. Finally, section 411(b) authorizes OCC to issue rules to allow additional sharing of information determined by OCC to be appropriate or necessary. This rulemaking would establish for OCC a new 12 CFR part 41, Fair Credit Regulations, to implement the FACT Act and to allow certain sharing of medical information.

**Timetable:**

Action	Date	FR Cite
NPRM	04/28/04	69 FR 23380
Final Action	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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**RIN:** 1557-AC85

**2560. FAIR CREDIT; AFFILIATE MARKETING REGULATIONS**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1 et seq; 12 USC 24 (seventh); 12 USC 93a; 12 USC 481; 12 USC 484; 12 USC 1818; 15 USC 1681a; 15 USC 1681b; 15 USC 1681s

**CFR Citation:** 12 CFR 41

**Legal Deadline:** Other, Statutory, August 6, 2004, See section 214 of the FACT Act, PL 108-159.

**Abstract:** OCC, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Thrift Supervision, the National Credit Union Administration, and the Federal Trade Commission are planning to issue a rulemaking that would implement the affiliate-sharing provisions of section 214 of the Fair and Accurate Credit Transactions Act (FACT Act). The regulations would implement the consumer notice and opt-out provisions of the FACT Act regarding the sharing of consumer information among affiliates for marketing purposes.

**Timetable:**

Action	Date	FR Cite
NPRM	07/15/04	69 FR 42502
Final Action	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

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**RIN:** 1557-AC88

**2561. SECURITIES BORROWING TRANSACTIONS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 12 USC 93a; 12 USC 161; 12 USC 1828 note; 12 USC 1828(n); 12 USC 1831n note; 12 USC 1835; 12 USC 3907; 12 USC 3909

**CFR Citation:** 12 CFR 3

**Legal Deadline:** None

**Abstract:** As part of OCC's ongoing efforts to develop and refine capital

standards to ensure the safety and soundness of the national banking system and to implement statutory requirements, OCC is amending various provisions of the capital rules for national banks. The change involves changes to securities borrowing transactions. The interim final rule adopted changes to the capital treatment of securities borrowing transactions, specifically by amending the market risk rules on the capital treatment for cash collateral. OCC is conducting this rulemaking jointly with the other Federal banking agencies.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	12/05/00	65 FR 75856
Final Action	09/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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**Related RIN:** Split from 1557-AB14

**RIN:** 1557-AC90

**2562. • INTERAGENCY GUIDANCE ON RESPONSE PROGRAMS FOR UNAUTHORIZED ACCESS TO CUSTOMER INFORMATION AND CUSTOMER NOTICE**

**Priority:** Other Significant

**Legal Authority:** 15 USC 6801

**CFR Citation:** 12 CFR 30, app B

**Legal Deadline:** None

**Abstract:** OCC, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision (the Agencies) are issuing an interpretation of section 501(b) of the Gramm-Leach-Bliley Act and the Interagency Guidelines Establishing Standards for Safeguarding Customer Information. This interpretation describes the Agencies' expectations regarding the response programs, including customer notification procedures, that a financial institution

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## Final Rule Stage

should develop and implement to address the unauthorized access to or use of customer information that could result in substantial harm or inconvenience to a customer. The agency published a notice and request for comment regarding this interpretation on August 12, 2003, at 68 FR 47954.

**Timetable:**

Action	Date	FR Cite
Final Action	11/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

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**RIN:** 1557-AC92

**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**

## Long-Term Actions

**2563. INTERAGENCY PROPOSAL TO CONSIDER ALTERNATIVE FORMS OF PRIVACY NOTICES UNDER THE GRAMM-LEACH-BLILEY ACT**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**CFR Citation:** 12 CFR 40**Timetable:**

Action	Date	FR Cite
ANPRM	12/30/03	68 FR 75164
ANPRM Comment Period End	03/29/04	
NPRM	To Be Determined	

**Regulatory Flexibility Analysis Required:** Undetermined**Government Levels Affected:** None**Federalism:** Undetermined

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**RIN:** 1557-AC80
**2564. COMMUNITY REINVESTMENT ACT REGULATIONS**
**Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 25**Timetable:**

Action	Date	FR Cite
Interim Rule	07/08/04	69 FR 41181
Final Action	To Be Determined	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

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**RIN:** 1557-AC86
**2565. ACCURACY AND INTEGRITY OF INFORMATION FURNISHED TO A CONSUMER REPORTING AGENCY**
**Priority:** Substantive, Nonsignificant**CFR Citation:** Not Yet Determined**Timetable:**

Action	Date	FR Cite
NPRM	To Be Determined	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None

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**RIN:** 1557-AC89

**Department of the Treasury (TREAS)  
Comptroller of the Currency (OCC)**

## Completed Actions

**2566. FAIR CREDIT REPORTING REGULATIONS**
**Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 41**Completed:**

Reason	Date	FR Cite
Withdrawn	09/14/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

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**RIN:** 1557-AB78
**2567. MAINTENANCE OF RECORDS**
**Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 7**Completed:**

Reason	Date	FR Cite
Withdrawn	09/14/04	

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

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**RIN:** 1557-AB99
**2568. RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES**
**Priority:** Other Significant**CFR Citation:** 12 CFR 5**Completed:**

Reason	Date	FR Cite
Final Action	08/16/04	69 FR 50293

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

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## TREAS—OCC

## Completed Actions

Email: heidi.thomas@occ.treas.gov

RIN: 1557-AC11

**2569. RISK-BASED CAPITAL; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE: INTERIM CAPITAL TREATMENT OF CONSOLIDATED ASSET-BACKED COMMERCIAL PAPER PROGRAM ASSETS**

Priority: Other Significant

CFR Citation: 12 CFR 3

**Completed:**

Reason	Date	FR Cite
Extension of Final Rule	04/26/04	69 FR 22383
Final Action	07/28/04	69 FR 44908

**Regulatory Flexibility Analysis**

Required: No

Government Levels Affected: None

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Related RIN: Merged with 1557-AC77

RIN: 1557-AC76

**2570. LENDING LIMITS PILOT PROGRAM**

Priority: Substantive, Nonsignificant

CFR Citation: 12 CFR 32

**Completed:**

Reason	Date	FR Cite
NPRM	04/23/04	69 FR 21978
Final Action	08/19/04	69 FR 51355

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

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RIN: 1557-AC83

BILLING CODE 4810-33-S

## Department of the Treasury (TREAS)

## Proposed Rule Stage

## Internal Revenue Service (IRS)

**2571. FOREIGN INSURANCE COMPANIES**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 842; 26 USC 864

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This regulation will prescribe rules for determining income from stocks effectively connected under the asset use test with the conduct of an insurance business in the United States by a foreign company.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-209066-88 (INTL-024-88)

Drafting attorney: Sheila Ramaswamy (202) 622-3870

Reviewing attorney: Steven Jensen (202) 622-3870

Treasury attorney: Michael Caballero (202) 622-0851

CC:INTL

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RIN: 1545-AL82

**2572. COMPUTATION OF A BRANCH'S TAXABLE INCOME; TAXATION OF EXCHANGE GAIN OR LOSS ON BRANCH REMITTANCES**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This regulation relates to branch rules and how to translate branch income, the taxation of exchange gain or loss on branch remittances.

**Timetable:**

Action	Date	FR Cite
NPRM	09/25/91	56 FR 48457
Second NPRM	12/00/04	

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-208270-86 (INTL-965-86)

Drafting attorney: Theodore D. Setzer (202) 622-3870

Reviewing attorney: Jeffrey Dorfman (202) 622-3870

Treasury attorney: Andrew Froberg  
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**Agency Contact:** Theodore D. Setzer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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RIN: 1545-AM12

**2573. OUTBOUND TRANSFERS OF PROPERTY TO FOREIGN CORPORATIONS**

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 367

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** The income tax regulations under section 367(a) will be amended to reflect the changes made to that section by the Technical and Miscellaneous Corrections Act of 1988. Section 367(a)(5) now provides that a transfer of assets to a foreign corporation in an exchange described in section 361 is subject to section 367(a)(1), unless certain ownership requirements and other conditions are met. The regulations will provide guidance regarding the application of this section. The change in the statute was necessitated by the repeal of "General Utilities."

## TREAS—IRS

## Proposed Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209006-89 (INTL-089-89)

Drafting attorney: Richard L. Osborne (202) 622-3860

Reviewing attorney: Charles P. Besecky (202) 622-3860

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**Agency Contact:** Richard L. Osborne, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545-AM97**2574. FOREIGN INSURANCE COMPANY—DOMESTIC ELECTION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 953**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will provide substantive and procedural rules regarding the election under section 953(d) to treat certain controlled foreign corporations engaged in the insurance business as domestic corporations.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208980-89 (INTL-765-89)

Drafting attorney: Valerie A. Mark-Lippe (202) 622-3840

Reviewing attorney: Phyllis Marcus (202) 622-3840

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**Agency Contact:** Valerie A. Mark-Lippe, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3840

**RIN:** 1545-AO25**2575. TAXATION OF GLOBAL TRADING****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 864; 26 USC 482; 26 USC 863**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations will improve the taxation of global trading.**Timetable:**

Action	Date	FR Cite
ANPRM	08/28/90	55 FR 35152
NPRM	03/06/98	63 FR 11177
NPRM Comment	06/04/98	
Period End		
Hearing	07/14/98	
Second NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208299-90 (INTL-70-90)

Drafting attorney: Theodore D. Setzer (202) 622-3870

Reviewing attorney: Paul S. Epstein (202) 622-3870

Treasury attorney: Patricia Brown (202) 622-1781

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**Agency Contact:** Theodore D. Setzer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545-AP01**2576. INFORMATION REPORTING AND RECORD MAINTENANCE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 7801; 26 USC 6038C**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will implement the directives of section 6038C. This will be accomplished by requiring foreign corporations engaged in a U.S. business to provide specific information regarding related party transactions.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208265-90 (INTL-102-90)

Drafting attorney: Garrett D. Gregory (202) 622-3870

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Treasury attorney: Andrew Froberg (202) 622-1779

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**RIN:** 1545-AP10**2577. INTEGRATED FINANCIAL TRANSACTION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 864**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulation addresses whether funding raised for a securities dealing and/or trading operation, and whether matched book sale and repurchase transactions conducted by securities dealers qualify as integrated financial transactions under section 1.861-10(c).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209604-93 (INTL-001-93)

Drafting attorney: Theodore D. Setzer (202) 622-3870

Reviewing attorney: Paul S. Epstein (202) 622-3870

Treasury attorney: Patricia Brown (202) 622-1781

## TREAS—IRS

## Proposed Rule Stage

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RIN: 1545-AR20

**2578. FOREIGN TRUSTS REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 6048**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This document revises regulations relating to certain foreign trusts under section 6048 of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209594-92 (INTL-067-92)

Drafting attorney: M. Grace Fleeman (202) 622-3880

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Treasury attorney: John Harrington (202) 622-0589

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RIN: 1545-AR25

**2579. TREATMENT OF DUAL CONSOLIDATED LOSSES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1503; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The proposed regulation makes the determination of when and

how section 1503(d), treatment of dual consolidated losses, will apply to partnerships.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-209564-92 (INTL-037-92)

Drafting attorney: Kathryn T. Holman (202) 622-3860

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Treasury attorney: Michael Caballero (202) 622-0851

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RIN: 1545-AR26

**2580. APPLICATION OF ATTRIBUTION RULES TO FOREIGN TRUSTS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations will provide attribution rules for foreign trusts with respect to foreign personal holding companies, foreign passive investment companies, and controlled foreign corporations.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-252774-96

Drafting attorney: M. Grace Fleeman (202) 622-3880

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RIN: 1545-AU91

**2581. AGREEMENTS FOR PAYMENT OF TAX LIABILITIES IN INSTALLMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6159; 26 USC 7805**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** The regulations reflect the amendment of I.R.C. section 6159, section 202 of the Taxpayer Bill of Rights 2, which provides that upon request by a taxpayer the Secretary shall provide an independent review of the termination of an installment agreement. The regulations also reflect the amendment to section 6159(c), which guarantees the availability of installment agreements to taxpayers in certain circumstances.

**Timetable:**

Action	Date	FR Cite
NPRM	12/31/97	62 FR 68241
Second NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-100841-97

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Reviewing attorney: Lawrence Schattner (202) 622-3620

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RIN: 1545-AU97

## TREAS—IRS

## Proposed Rule Stage

**2582. RULES FOR SOURCING CERTAIN TRANSPORTATION INCOME, SPACE, OR OCEAN ACTIVITY INCOME, AND RELATED FOREIGN BASE COMPANY SHIPPING INCOME****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation provides guidance for application of the source rules for transportation income under section 863(c).**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-115557-98

Drafting attorney: Patricia A. Bray and David L. Lundy (202 622-3880)

Reviewing attorney: Elizabeth Karzon (202) 622-3880

Treasury attorney: Carl Dubert (202) 622-0222

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**Agency Contact:** Patricia A. Bray, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3880**RIN:** 1545-AX02**2583. INSPECTION OF WRITTEN DETERMINATIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** This regulation amends Treasury Regulation section 301.6110-1 to include Chief Counsel Advice.**Timetable:**

Action	Date	FR Cite
NPRM	03/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-113129-98

Drafting attorney: Deborah Lambert-Dean (202) 622-4570

Reviewing attorney: Donald Squires (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

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Phone: 202 622-4570  
Fax: 202 622-4520**RIN:** 1545-AX40**2584. CASH OR DEFERRED ARRANGEMENTS (TEMPORARY)****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The proposed regulations update and revise regulations for cash or deferred arrangements.**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-108639-99

Drafting attorney: R. Lisa Mojiri-Azad (202) 622-6080

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: W. Thomas Reeder (202) 622-1341

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**Agency Contact:** R. Lisa Mojiri-Azad, Senior Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060**Related RIN:** Related to 1545-AX26**RIN:** 1545-AX43**2585. AWARDING OF COSTS AND CERTAIN FEES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 7430**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The proposed amendments to the Treasury Regulations incorporate the 1997 and 1998 amendments to 26 U.S.C. 7430, relating to the awarding of attorney's fees in administrative and court proceedings. The amendments to 26 U.S.C. 7430 were enacted under the Taxpayer Relief Act of 1997 and the IRS Restructuring and Reform Act of 1998.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-111833-99

Drafting attorney: Tami C. Belouin (202) 622-3847

Reviewing attorneys: Susan T. Mosley (202) 622-7950 and Henry S. Schneiderman (202) 622-3400

Treasury attorney: Julian Kim (202) 622-1981

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**Agency Contact:** Tami C. Belouin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3847**RIN:** 1545-AX46**2586. HIGHLY COMPENSATED EMPLOYEE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 414**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulations will provide the definition of highly compensated employee.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No

## TREAS—IRS

## Proposed Rule Stage

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-111277-99

Drafting attorney: R. Lisa Mojiri-Azad  
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Reviewing attorney: Marjorie Hoffman  
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Phone: 202 622-6060

**RIN:** 1545-AX48

### 2587. MODIFICATION TO SECTION 367(A) STOCK TRANSFER REGULATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 367

**CFR Citation:** 26 CFR 1; 26 CFR 602

**Legal Deadline:** None

**Abstract:** This regulation will modify section 367(a), stock transfer regulations, to address abuses under check-the-box and through the use of convertible stock.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-116053-99

Drafting attorney: Robert W. Lorence  
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Reviewing attorney: Charles Besecky  
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Treasury attorney: Michael Caballero  
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**Agency Contact:** Robert W. Lorence, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-AX77

### 2588. DEFINITION OF PASSIVE FOREIGN INVESTMENT COMPANY UNDER SECTION 1297

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1297

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation defines a passive foreign investment company (PFIC) under section 1297(a) and the terms "passive income" and "passive asset" under section 1297(b). The regulation will also set forth the exceptions to the terms "passive income" and "passive asset," and provide guidance on the applicability of the look-through rule under section 1297(c), in cases involving PFICs that own 25 percent or more of a lower-tier foreign subsidiary. In addition, the regulation will provide guidance under section 1297(e), regarding the overlap rule between a controlled foreign corporation and a PFIC.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-100427-00

Drafting attorney: Ethan A. Atticks  
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Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

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**Agency Contact:** Ethan A. Atticks, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
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**RIN:** 1545-AX78

### 2589. CLARIFICATION OF FOREIGN-BASED COMPANY SALES INCOME RULES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 954

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation clarifies when a controlled foreign corporation cannot exclude sales income from foreign-based company sales income under the manufacturing exception by reason of activities of a contract manufacturer. Likewise, the branch rule under IRC section 954(d)(2) does not apply to a contract manufacturer.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-106356-00

Drafting attorney: Valerie A. Mark-Lippe (202) 622-3840

Reviewing attorney: Phyllis E. Marcus  
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**RIN:** 1545-AX91

### 2590. GUIDANCE ON CHANGES TO THE LAWS FOR CORPORATE ESTIMATED TAXES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6655

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** The proposed regulations provide guidance on changes to the law for corporate estimated taxes.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-107722-00

Drafting attorney: Joseph DeWald (202) 622-4910

Reviewing attorney: Pamela W. Fuller  
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## TREAS—IRS

## Proposed Rule Stage

Treasury attorney: George Manousos  
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**RIN:** 1545-AY22

### 2591. WITHHOLDING TAX ON FOREIGN PARTNERS' SHARE OF EFFECTIVELY CONNECTED INCOME

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
1446

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations provide guidance for partnerships obligated to pay withholding tax under section 1446 of the Internal Revenue Code. Specifically, the proposed and temporary regulations address the circumstances under which a partnership may reduce its withholding tax due based upon certifications of losses by foreign partners or when the partnership is in bankruptcy. The temporary regulations will be effective for partnership taxable years beginning after the date the regulations are published in the Federal Register.

**Timetable:**

Action	Date	FR Cite
NPRM	09/03/03	68 FR 52466
Second NPRM	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:**  
Undetermined

**Additional Information:** REG-108524-00

Drafting attorneys: David J. Sotos (202) 622-3860; Ronald M. Gootzeit (202) 622-3860

Reviewing attorney: Michael H. Frankel (202) 622-3860

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**Related RIN:** Related to 1545-BD80

**RIN:** 1545-AY28

### 2592. TAXABLE YEARS OF CONTROLLED FOREIGN CORPORATIONS (CFCS) AND FOREIGN PERSONAL HOLDING COMPANIES (FPHCS)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
898

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide definitions and rules for determining the required year for CFCs and FPHCs.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-108523-00

Drafting attorney: Jeffrey L. Vinnik (202) 622-3840

Reviewing attorney: Phyllis Marcus (202) 622-3840

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**RIN:** 1545-AY30

### 2593. SPECIAL RULES RELATING TO TRANSFERS OF INTANGIBLES TO FOREIGN CORPORATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
367

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will address the income tax consequences relating

to the transfer of intangibles to foreign corporations.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-106877-00

Drafting attorney: Thomas D. Beem (202) 622-3860

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Treasury attorney: David Ernack (202) 622-1754

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**RIN:** 1545-AY41

### 2594. PREVIOUSLY TAXED EARNINGS AND PROFITS UNDER SUBPART F

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC  
959

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will address the determination of previously taxed earnings and profits under subpart F.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-121509-00

Drafting attorney: Jonathan A. Sambur (202) 622-3840

Reviewing attorney: Phyllis E. Marcus (202) 622-3840

Treasury attorney: Carl Dubert (202) 622-0222

## TREAS—IRS

## Proposed Rule Stage

CC:INTL

**Agency Contact:** Jonathan A. Sambur, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

RIN: 1545-AY54

### 2595. LIABILITIES ASSUMED IN CERTAIN CORPORATE TRANSACTIONS

**Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 357**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These proposed regulations relate to the assumption of liabilities in certain corporate transactions under section 357 of the Internal Revenue Code, and affect corporations and their shareholders.

**Timetable:**

Action	Date	FR Cite
ANPRM	05/06/03	68 FR 23931
NPRM	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-100818-01

Drafting attorney: Douglas C. Bates (202) 622-7550

Reviewing attorney: Debra Carlisle (202) 622-7550

CC:COR

**Agency Contact:** Douglas C. Bates, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

RIN: 1545-AY74

### 2596. DISCLOSURE OF RETURNS AND RETURN INFORMATION IN JUDICIAL AND ADMINISTRATIVE TAX PROCEEDINGS

**Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 6103**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** This proposed rule relates to the disclosure of returns and return

information in judicial and administrative tax proceedings pursuant to 26 U.S.C. 6103(h)(4).

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-120297-01

Drafting attorney: Geoffrey M. Campbell (202) 622-4570

Reviewing attorney: David L. Fish (202) 622-4580

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** Geoffrey M. Campbell, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024  
Phone: 202 622-4570

RIN: 1545-AY89

### 2597. TRANSITIONAL RELIEF FOR QUALIFIED INTERMEDIARIES

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC 1441**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulation will promulgate Notices 2001-4, 2001-11 and 2001-43 into the section 1441 regulation. Generally, the Notices provide transitional relief with respect to the new withholding regime for qualified intermediaries.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Additional Information:** REG-125443-01

Drafting attorney: Ethan A. Atticks (202) 622-3840

Reviewing attorney: Valerie Mark-Lippe (202) 622-3840

Treasury attorney: Andy Froberg (202) 622-1779

CC:INTL

**Agency Contact:** Ethan A. Atticks, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

RIN: 1545-AY92

### 2598. TRANSACTIONS INVOLVING OBLIGATIONS OF CONSOLIDATED GROUP MEMBERS

**Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The proposed regulations are in regard to intercompany obligations.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-107592-00

Drafting attorney: Frances Kelly (202) 622-7072

Reviewing attorney: Michael J. Wilder (202) 622-3393

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Frances L. Kelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**Related RIN:** Related to 1545-AW30

RIN: 1545-BA11

### 2599. DEDUCTIBILITY OF EMPLOYER CONTRIBUTIONS FOR DEFERRED COMPENSATION

**Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined

## TREAS—IRS

## Proposed Rule Stage

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will update and clarify the general rules for deductibility of employer contributions to qualified retirement plans and other deferred compensation arrangements.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-139449-01

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Mark Schwimmer (202) 622-6090

Treasury attorney: Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** Linda Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8012

**RIN:** 1545-BA13

**2600. GASOLINE TAX CLAIMS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6416

**CFR Citation:** 26 CFR 48

**Legal Deadline:** None

**Abstract:** The proposed regulation will provide guidance regarding claims for credit or refund of the gasoline tax under section 6416(b)(2) of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
ANPRM	10/23/01	66 FR 53564
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses, Governmental Jurisdictions

**Government Levels Affected:** Local, State, Tribal

**Additional Information:** REG-143219-01

Drafting attorney: Susan Athy (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Susan Athy, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**RIN:** 1545-BA27

**2601. SUSPENSION OF STATUTES OF LIMITATION IN JOHN DOE AND THIRD-PARTY SUMMONS DISPUTES, AND EXPANSION OF TAXPAYERS' RIGHTS TO RECEIVE NOTICE AND SEEK JUDICIAL REVIEW OF THIRD PARTY SUMMONSES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7603; 26 USC 7609

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The proposed regulation provides guidance regarding modified rules for serving summonses on third-party recordkeepers, the broadened range of summonses subject to the notice requirements, and the suspension of limitations periods when court actions are brought or when a summoned third party fails to fully respond to a summons. This proposed regulation incorporates the changes enacted in the Internal Revenue Service Restructuring and Reform Act of 1998, Omnibus Budget Reconciliation Act of 1990, Technical and Miscellaneous Revenue Act of 1988, and the Tax Reform Act of 1986. This regulation is a continuation of the regulation project previously numbered at REG-208225-88.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-153037-01

Drafting attorney: Elizabeth D. Rawlins (202) 622-3600

Reviewing attorney: Robert A. Miller (202) 622-3600

Treasury attorney: Jonathan Ackerman (202) 622-1981

CC:PA:CBS

**Agency Contact:** Elizabeth D. Rawlins, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3600

**RIN:** 1545-BA31

**2602. INCOME FROM SOURCES WITHIN SPECIFIED POSSESSION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 931; 26 USC 911

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will remove section 1.931-1 and references thereto in other sections.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-159068-01

Drafting attorney: Ethan A. Atticks (202) 622-3840

Reviewing attorney: Phyllis E. Marcus (202) 622-3840

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Ethan A. Atticks, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BA37

**2603. TREATMENT OF CERTAIN OBLIGATION-SHIFTING TRANSACTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 864(c)(6); 26 USC 7701(e)

**CFR Citation:** 26 CFR 1



## TREAS—IRS

## Proposed Rule Stage

**Legal Deadline:** None

**Abstract:** This regulation proposes a rule that applies to a single taxpayer engaging in certain tax-motivated obligation-shifting transfers to prevent tax avoidance. Similar multi-party tax avoidance techniques are addressed by Property Treasury Regulation section 1.7701(i)-2 (1996). This regulation also would modify a rule in the proposed regulation dealing with certain related-party transfers that might, in its present form, present opportunities for tax avoidance.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-160799-01

Drafting attorney: Jeffrey L. Vinnik (202) 622-3840

Reviewing attorney: David N. Bowen (202) 622-3800

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** Jeffrey L. Vinnik, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BA41**2604. MULTIFAMILY HOUSING BONDS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations relate to various issues with respect to multifamily housing bonds.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** Local, State**Additional Information:** REG-163765-01

Drafting attorney: Rose M. Weber (202) 622-3980

Reviewing attorney: Bruce M. Serchuk (202) 622-3980

Treasury attorney: Stephen J. Watson (202) 622-1322

CC:TEGE

**Agency Contact:** Rose M. Weber, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980

**RIN:** 1545-BA45**2605. ALLOCATION AND APPORTIONMENT RULES: GUIDANCE ON SELECTED ISSUES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 863**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance with respect to the allocation and apportionment under section 861 of selected deductions, e.g., disaster losses and research and experimentation expenses.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-128240-01

Drafting attorney: Teresa B. Hughes (202) 622-3850

Reviewing attorney: Anne O. Devereaux (202) 622-3850

Treasury attorney: John Harrington (202) 622-0589

CC:INTL

**Agency Contact:** Teresa B. Hughes, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

**RIN:** 1545-BA64**2606. PROVISIONS REGARDING CROSS-BORDER TRANSACTIONS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC 368(a)**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed regulation will make conforming changes to account for cross-border section 368(a)(1)(A) mergers.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-125628-01

Drafting attorney: Robert W. Lorence (202) 622-3860

Reviewing attorney: Charles Besecky (202) 622-3860

CC:INTL

**Agency Contact:** Robert W. Lorence, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-BA65**2607. CIRCULAR 230—PHASE 2 NONSHELTER REVISIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 31 USC 330**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations propose amendments to the rules governing practice before the Internal Revenue Service.

**Timetable:**

Action	Date	FR Cite
ANPRM	12/19/02	67 FR 77724
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No

## TREAS—IRS

## Proposed Rule Stage

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-122380-02

Drafting attorney: Heather L. Dostaler (202) 622-8445

Reviewing attorney: Richard S. Goldstein (202) 622-7820

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJ

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BA72

### 2608. ALLOCATION OF NEW MARKETS TAX CREDIT

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 45D; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will address how the section 45D new markets tax credit should be allocated to the partners of a partnership under section 704(b) of the Internal Revenue Code and will address related partnership issues.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-131999-02

Drafting attorney: Michael Goldman (202) 622-3080

Reviewing attorney: James Quinn (202) 622-3070

CC:PSI

**Agency Contact:** Michael Goldman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

**RIN:** 1545-BA84

### 2609. GUIDANCE TO FACILITATE ELECTRONIC TAX ADMINISTRATION

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulation will facilitate electronic tax administration.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-137243-02

Drafting attorney: Bridget E. Tombul (202) 622-4940

Reviewing attorney: Ashton P. Trice (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Bridget E. Tombul, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BA96

### 2610. TIMELY MAILING TREATMENT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7502

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulation will expressly provide that a registered or certified mail receipt is the sole means to prove delivery of a document to the Internal Revenue Service.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Additional Information:** REG-138176-02

Drafting attorney: Charles A. Hall (202) 622-4940

Reviewing attorney: Ashton Trice (202) 622-4940

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:APJ

**Agency Contact:** Charles A. Hall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BA99

### 2611. COMMUNICATIONS EXCISE TAX; TAXABLE COMMUNICATION SERVICES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 4251; 26 USC 7805

**CFR Citation:** 26 CFR 49

**Legal Deadline:** None

**Abstract:** This regulation provides a definition of taxable communications services under section 4251.

**Timetable:**

Action	Date	FR Cite
ANPRM	07/02/04	69 FR 40345
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-137076-02

Drafting attorney: Cynthia A. McGreevy (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Cynthia A. McGreevy, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**RIN:** 1545-BB04

### 2612. COST SHARING

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 482

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

## TREAS—IRS

## Proposed Rule Stage

**Abstract:** These proposed regulations will provide additional guidance on cost sharing arrangements under section 482.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-144615-02

Drafting attorneys: David Bowen (202) 622-3800 and Jeffrey Parry (202) 435-5265

Reviewing attorney: Elizabeth G. Beck (202) 435-5265

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** David Bowen, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5265

**RIN:** 1545-BB26

**2613. APPLICATION OF SEPARATE LIMITATIONS TO DIVIDENDS FROM NONCONTROLLED SECTION 902 CORPORATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 904(d)(6)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The Taxpayer Relief Act of 1997 amended the foreign tax credit limitation rules under section 904(d) and extended lookthrough treatment to dividends paid by a 10/50 lookthrough corporation, effective for earnings and profits accumulated in tax years beginning after December 31, 2002. These regulations would provide guidance needed to comply with these changes, including transition rules for dividends paid by a 10/50 lookthrough corporation.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Additional Information:** REG-144784-02

Drafting attorney: Ginny Y. Chung (202) 622-3850

Reviewing attorney: Barbara Felker (202) 622-3850

CC:INTL

**Agency Contact:** Ginny Y. Chung, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

**RIN:** 1545-BB28

**2614. AMENDING THE LOW-INCOME HOUSING TAX CREDIT PROGRAM**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 42; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations are amendments to the general public use requirements in the low-income housing tax credit program.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-151145-02

Drafting attorney: Jack Malgeri (202) 622-3040

Reviewing attorney: Harold Burghart (202) 622-3040

CC:PSI

**Agency Contact:** Jack Malgeri, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-BB37

**2615. SUBSTITUTE DIVIDEND PAYMENTS IN SECURITIES LENDING AND SIMILAR TRANSACTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 7701; 26 USC 863

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to taxation of cross-border and foreign-to-foreign substitute dividend payments in securities lending and similar transactions.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** Federal

**Additional Information:** REG-130751-01

Drafting attorney: Jeffrey L. Vinnik (202) 622-3840

Reviewing attorney: David Bowen (202) 622-3800

CC:INTL

**Agency Contact:** Jeffrey L. Vinnik, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BB56

**2616. LOSS LIMITATION RULES—GENERAL UTILITIES REPEAL**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 337(d); 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will provide guidance to corporations that are members of an affiliated group filing a consolidated income tax return and that own stock of a subsidiary member of the group. The regulations will prevent rules relating to certain adjustments to the basis of subsidiary member stock from having the effect of offsetting certain income and gain upon a disposition of the stock by the consolidated group.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

## TREAS—IRS

## Proposed Rule Stage

**Federalism:** Undetermined

**Additional Information:** REG-157711-02

Drafting attorney: Martin Huck (202) 622-7750

Reviewing attorney: Theresa Abell (202) 622-7700

CC:COR

**Agency Contact:** Martin T. Huck, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7750

**RIN:** 1545-BB61

### 2617. SAFE HARBOR LEASING SECOND INTEREST CAPITALIZATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 263A(f)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation clarifies treatment under Internal Revenue Code section 263A(f) of interest expense incurred in connection with safe harbor leases under former Internal Revenue Code section 168(f)(8).

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148399-02

Drafting attorney: Grant D. Anderson (202) 622-4930

Reviewing attorney: Donna Crisalli (202) 622-4800

CC:ITA

**Agency Contact:** Grant D. Anderson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4930

**Related RIN:** Related to 1545-BB63

**RIN:** 1545-BB62

### 2618. CONTRIBUTIONS TO PURCHASE CERTAIN RETIREMENT ANNUITIES OR CUSTODIAL ACCOUNTS UNDER SECTION 403(B)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 403(b); 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation would revise and update the current section 403(b) regulations to reflect the numerous statutory revisions to this section of the Internal Revenue Code since these regulations were first promulgated in 1964. Section 403(b) concerns the income tax exclusion for contributions to purchase certain retirement annuities or custodial accounts made for their employees by certain tax-exempt employers or State-sponsored educational institutions.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Governmental Jurisdictions

**Government Levels Affected:** Local, State, Tribal

**Additional Information:** REG-155608-02

Drafting attorney: John A. Tolleris (202) 622-6060

Reviewing attorney: Cheryl Press (202) 622-6060

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** John A. Tolleris, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BB64

### 2619. LIQUIDATION OF AN INTEREST

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 2704(b)

**CFR Citation:** 26 CFR 25

**Legal Deadline:** None

**Abstract:** This regulation relates to additional rules for determining when restrictions on liquidation are

disregarded in valuing an interest under section 2704 of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-163113-02

Drafting attorney: John MacEachen (202) 622-3253

Reviewing attorney: George Masnik (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** John MacEachen, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830

**RIN:** 1545-BB71

### 2620. REMIC RESIDUALS—TIMING OF INCOME FOR FOREIGN HOLDERS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 860G(b); 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations under 26 U.S.C. 860G(b) accelerate the recognition of income associated with a REMIC resident interest that is allocation to foreign person, including a foreign partner in a U.S. partnership.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-159929-02

Drafting attorney: Arturo Estrada (202) 622-3900

CC:FI

**Agency Contact:** Arturo Estrada, Attorney-Advisor, Department of the

## TREAS—IRS

## Proposed Rule Stage

Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3900

**RIN:** 1545-BB84

### 2621. PREDECESSORS OR SUCCESSORS UNDER SECTION 355(E)

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 355; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations under section 355(e) set forth whether a transferor to or a transferee of distributing or controlled assets is a predecessor or successor.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-145535-02

Drafting attorney: Krishna P. Vallabhaneni (202) 622-7550

Reviewing attorney: Stephen P. Fattman (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Krishna P. Vallabhaneni, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

**RIN:** 1545-BB85

### 2622. DEPENDENT CARE CREDIT

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 21; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The notice of proposed rulemaking will amend existing but partially obsolete regulations under 26

U.S.C. 21 relating to dependent care credits.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-139059-02

Drafting attorney: Warren M. Joseph (202) 622-4920

Reviewing attorney: Robert Berkovsky (202) 622-4920

CC:ITA

**Agency Contact:** Warren M. Joseph, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4920

**RIN:** 1545-BB86

### 2623. GUIDANCE REGARDING MARK-TO-MARKET VALUATION FOR CERTAIN SECURITIES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 475; 26 USC 446

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Section 475(a) requires that dealers in securities mark their securities to market. If the security is inventory, the dealer must include that security at fair market value. Taxpayers must treat any securities that are not inventory as if they were sold for its fair market value on the last business day of the year. While the legal definition of the term "fair market value" has long been settled, the statute is silent as to what valuation methodology should be used to determine fair market value of any particular security. Many of the securities subject to section 475 raise difficult valuation issues. An advanced notice of proposed rulemaking (ANPRM) was issued on May 5, 2003, and asked for comments on a possible financial statement-tax conformity safe harbor approach for valuing certain securities under section 475 for which the determination of actual fair market value is administratively difficult. The ANPRM asked for comments on: (1) the

securities to which this approach applies; (2) the taxpayers who may elect this approach; (3) the election into the approach; (4) the applicable financial statements to be used; (5) the recordkeeping, retention, and availability requirements for verification of financial statement-tax conformity; and (6) what approach will apply if the election for financial statement-tax conformity is not made. A notice of proposed rulemaking is being drafted currently based upon comments received from the ANPRM.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Additional Information:** REG-100420-03

Drafting attorney: Marsha A. Sabin (202) 622-3950 or John W. Rogers (202) 622-3950

Reviewing attorney: Robert Williams (202) 622-3960

Treasury attorneys: Michael Novey (202) 622-1339 and Viva Hammer (202) 622-0869

CC:FI

**Agency Contact:** Marsha A. Sabin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950

**RIN:** 1545-BB90

### 2624. PARTNERSHIP EQUITY FOR SERVICES

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 721; 26 USC 83

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations will describe the tax treatment of partnership equity issued in connection with the performance of services.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

## TREAS—IRS

## Proposed Rule Stage

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105346-03

Drafting attorneys: Demetri Yatrakis (202) 622-3060

Reviewing attorney: Audrey Ellis (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Demetri G. Yatrakis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

Audrey W. Ellis, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**RIN:** 1545-BB92

#### 2625. DETERMINATION OF SINGLE-SUM DISTRIBUTIONS FROM CASH BALANCE PLANS

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will modify the rules for the determination of minimum single-sum distributions from cash balance pension plans.

##### Timetable:

Action	Date	FR Cite
NPRM	06/00/05	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** Organizations

**Government Levels Affected:** None

**Additional Information:** REG-168897-02

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Linda Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service,

1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8012

**RIN:** 1545-BB93

#### 2626. ACCRUAL FOR CERTAIN REMIC REGULAR INTERESTS

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations provide guidance on the accrual of original issue discount on certain REMIC regular interests.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-108637-03

Drafting attorney: Rebecca E. Asta (202) 622-3930

Reviewing attorney: Patrick White (202) 622-3920

CC:FI

**Agency Contact:** Rebecca E. Asta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3930

**RIN:** 1545-BB94

#### 2627. MISCELLANEOUS CHANGES TO COLLECTION DUE PROCESS PROCEDURES RELATING TO NOTICE AND OPPORTUNITY FOR HEARING UPON FILING OF NOTICE OF LIEN

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 6320; 26 USC 6330

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The IRS is revising the regulations that apply to Collection Due Process (CDP) and equivalent hearings under section 6320 involving Federal tax liens.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-150088-02

Drafting attorney: Laurence K. Williams (202) 622-3600

Reviewing attorney: Alan Levine (202) 622-3600

CC:PA:CBS

**Agency Contact:** Laurence K. Williams, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20024

Phone: 202 622-3600

**RIN:** 1545-BB96

#### 2628. MISCELLANEOUS CHANGES TO COLLECTION DUE PROCESS PROCEDURES RELATING TO HEARINGS BEFORE LEVY

**Priority:** Routine and Frequent

**Legal Authority:** 26 USC 6330

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The IRS is revising the regulations that apply to Collection Due Process (CDP) and equivalent hearings under section 6330 involving Federal tax levies.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-150091-02

Drafting attorney: Laurence K. Williams (202) 622-3600

Reviewing attorney: Alan Levine (202) 622-3610

CC:PA:CBS

**Agency Contact:** Laurence K. Williams, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20024

Phone: 202 622-3600

**RIN:** 1545-BB97

## TREAS—IRS

## Proposed Rule Stage

**2629. GENERAL ALLOCATION AND ACCOUNTING REGULATIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides rules for the allocation of and accounting for bond proceeds for purposes of determining whether bonds are private activity bonds under section 141 of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/05	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** State**Federalism:** Undetermined**Additional Information:** REG-140379-02

Drafting attorney: Michael Brewer (202) 622-3980

CC:TEGE

**Agency Contact:** Michael P. Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980

**RIN:** 1545-BC07**2630. UTILITY ALLOWANCE REGULATION UPDATE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 42**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will modify and update utility allowance regulations under section 1.142-10, which provides for an alternative method for computing utility allowances under section 1.142-10(b)(4)(ii). Also, the regulation will provide for annual updates of utility allowances.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-128274-03

Drafting attorney: David Selig (202) 622-3040

Reviewing attorney: Harold Burghart (202) 622-3040

Treasury attorney: Bruce Serchuk (202) 622-1766

CC:PSI

**Agency Contact:** David Selig, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-BC22**2631. GUIDANCE REGARDING APPLICATION OF SECTION 265(A)(2) AND 246A IN TRANSACTIONS INVOLVING RELATED PARTIES, PASS-THROUGH ENTITIES, OR OTHER INTERMEDIARIES****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7701(f); 26 USC 265(a); 26 USC 246A**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** Section 7701(f) of the Code provides that the Secretary shall prescribe such regulations as may be necessary or appropriate to prevent the avoidance of the provisions of the Code that deal with the linking of borrowing to investment, or diminishing the risk through the use of related persons, pass-through entities, or other intermediaries. Section 7701(f) was enacted to authorize the issuance of regulations to prevent the avoidance of the purposes of sections 265(a)(2) (which disallows interest on indebtedness incurred or continued to purchase or carry tax-exempt obligations) and 246A (which reduces the dividends received deduction under sections 243, 244, or 245(a) in proportion to the extent that the portfolio stock with respect to which the dividends are received is debt-financed) through transactions involving related parties, pass-through entities, or other intermediaries.

**Timetable:**

Action	Date	FR Cite
ANPRM	05/07/04	69 FR 25534
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-128572-03

Drafting attorney: Avital Grunhaus (202) 622-3940

Reviewing attorney: David Silber (202) 622-3930

Treasury attorneys: Michael Novey (202) 622-1339 and Viva Hammer (202) 622-0869

**Agency Contact:** Avital Grunhaus, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3940

**RIN:** 1545-BC24**2632. GUIDANCE ON PFIC PURGING ELECTIONS****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These proposed regulations will provide guidance regarding retroactive relief for taxpayers who, in limited circumstances, continue to be subject to the PFIC excess distribution regime of section 1291 although the foreign corporation in which they own stock is no longer treated as a PFIC under section 1298(b)(1) or section 1297(e).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-133446-03

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

## TREAS—IRS

## Proposed Rule Stage

**Agency Contact:** Alexandra K. Helou, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**Related RIN:** Related to 1545-BD33

**RIN:** 1545-BC37

**2633. ADDITIONAL GUIDANCE REGARDING MARK-TO-MARKET ACCOUNTING FOR TRADERS IN SECURITIES AND/OR COMMODITIES, INCLUDING FOREIGN CURRENCY INSTRUMENTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 988(a)(1)(B)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides additional rules relating to the trader mark-to-market election: 1) the coordination of income character rules of the mark-to-market regime with the capital election under section 988(a)(1)(B); 2) the definition of commodities for purposes of section 475; and 3) the application of the mark-to-market rules for traders that trade both securities and commodities in a single business.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-135660-03

Drafting attorney: Camille B. Evans (202) 622-3800

Reviewing attorney: Paul S. Epstein (202) 622-3870

Treasury attorney: Andrew Froberg (202) 622-1779

CC:INTL

**Agency Contact:** Camille B. Evans, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3800

**RIN:** 1545-BC48

**2634. STEWARDSHIP EXPENSES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The current regulations under section 1.861-8(e)(4), titled "Stewardship Expenses Attributable to Dividends Received," are confusing and subject to misuse by taxpayers. In conjunction with the proposed services regulations under section 482, it is proposed to revise these regulations to clarify the parameters of stewardship expenses, thereby demarcating them from shareholder activities under section 482 and supportive expenses under section 1.861-8T(b)(3).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-138603-03

Drafting attorney: Teresa B. Hughes (202) 622-3850

Reviewing attorney: Anne O. Devereaux (202) 622-3850

Treasury attorney: Rocco Femia (202) 622-1755

CC:INTL

**Agency Contact:** Teresa B. Hughes, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

**RIN:** 1545-BC52

**2635. COORDINATION OF UNITED STATES AND CERTAIN POSSESSIONS INCOME TAXES**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1; 26 CFR 301

**Legal Deadline:** None

**Abstract:** The regulations for section 7654 (1954 Code) will revise existing regulations for clarification and the regulations for section 7654 (1986 Code) will be new. Internal Revenue Code (IRC) section 7654 contains the provisions for cover-over to the U.S. Possessions. Old section 7654 (1954 Code) continues to be applicable to Guam and the Commonwealth of the Northern Mariana Islands (CNMI) because these two possessions do not have an effective implementing agreement with the United States as required by the Tax Reform Act of 1986. Regulations are necessary for consistent and correct application of section 7654. For example, cover-over for (Armed Forces) residents of the possessions stationed outside the possessions are not specifically addressed in the 1954 Code, and neither is cover-over for Federal employees residing in U.S. Possessions. Regulations are needed to carry out the provisions of section 7654 and sections 931, 932, and 935.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Additional Information:** REG-139900-03

Drafting attorney: Mae J. Lew (202) 435-5262

Reviewing attorney: Ricardo A. Cadenas (202) 435-5262

Treasury attorney: Carl Dubert (202) 622-1765

CC:INTL

**Agency Contact:** Mae J. Lew, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5262

**Related RIN:** Related to 1545-BD32

**RIN:** 1545-BC54

**2636. GUIDANCE UNDER SECTION 2053 REGARDING POST-DEATH EVENTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805



## TREAS—IRS

## Proposed Rule Stage

**CFR Citation:** 26 CFR 20**Legal Deadline:** None

**Abstract:** These regulations relate to the amount deductible under section 2053(a)(3) of the Internal Revenue Code. The regulations will affect estates of decedents where claims exist against the decedent's estate.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-143316-03

Drafting attorney: DeAnn K. Malone (202) 622-3112

Reviewing attorney: Melissa Liquerman (202) 622-7830

Treasury attorney: Cathy Hughes (202) 622-9407

CC:PSI

**Agency Contact:** DeAnn K. Malone, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3112

**RIN:** 1545-BC56**2637. GUIDANCE UNDER SECTION 707 REGARDING DISGUISED SALES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 707; 26 USC 7805

**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will provide guidance regarding disguised sales of partnership interests.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-149519-03

Drafting attorney: James M. Gergurich (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3080

Treasury attorney: Stephanie Robinson (202) 622-7858

CC:PSI

**Agency Contact:** James M. Gergurich, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**RIN:** 1545-BC63**2638. COLLECTION AFTER ASSESSMENT**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 6502

**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The Internal Revenue Service Restructuring and Reform Act of 1998 (RRA '98) section 3461 amended section 6502 of the Code to limit the ability of the Service to enter into agreements extending the collection statute. RRA '98 also included an off-Code "sunset" provision governing the continued effect of collection statute extension agreements executed prior to January 1, 2000, the effective date of this section. The current regulations under section 6502 have not been updated to reflect these changes to the section. The current regulations provide that extension agreements may be executed anytime prior to the expiration of the original statutory collection period.

The revised regulations will incorporate the changes imposed by RRA '98 and will provide in part that the only two circumstances under which an agreement extending the collecting period may be executed are: (1) when the extension agreement is executed in connection with an Installment Agreement; and (2) when the extension agreement is executed prior to a levy being released pursuant to section 6343, when the release occurs after the expiration of the original 10-year statutory collection period. Also, the

revised regulations will discuss the continued validity of extension agreements executed prior to January 1, 2000.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148701-03

Drafting attorney: Debra Kohn (202) 622-3620

Reviewing attorney: Fredrick W. Schindler (202) 622-3600

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:CBS

**Agency Contact:** Debra Kohn, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024  
Phone: 202 622-3620

**RIN:** 1545-BC72**2639. BELOW-MARKET LOANS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 7872(h)

**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The proposed regulations related to the Federal income tax consequences of certain below-market loans.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209226-84

Drafting attorney: Rebecca E. Asta (202) 622-3930

Reviewing attorney: David Silber (202) 622-3930

Treasury attorney: Viva Hammer (202) 622-0869

## TREAS—IRS

## Proposed Rule Stage

CC:FI

**Agency Contact:** Rebecca E. Asta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3930

RIN: 1545-BC78

**2640. INFORMATION REPORTING RELATING TO TAXABLE STOCK TRANSACTIONS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 6043; 26 USC 6045

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations under sections 6043 and 6045 require information reporting by corporations and brokers with respect to corporate acquisitions of control and substantial changes in capital structure. The notice of proposed rulemaking cross-references temporary regulations and also withdraws previous proposed rules (67 FR 69496; RIN 1545-BB60).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-156232-03

Drafting attorney: Nancy L. Rose (202) 622-4910

CC:PA:APJ

**Agency Contact:** Nancy L. Rose, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**Related RIN:** Related to 1545-BB40, Related to 1545-BB60, Related to 1545-BC79

RIN: 1545-BC80

**2641. DEFINITION OF LOSS FOR PURPOSES OF THE STRADDLE RULES**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805; 26 USC 1092

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation expands the definition of the term "loss" for purposes of sections 1092 and 263(g) to include otherwise deductible payments or accruals determined with respect to changes in the capital value of offsetting positions in a straddle that lacks a capital investment."

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-159869-03

Drafting attorney: Mary Brewer (202) 622-3950

Reviewing attorney: Christina Morrison (202) 622-3950

CC:FI

**Agency Contact:** Mary Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950

RIN: 1545-BC83

**2642. DETERMINATION OF RESIDENCY IN U.S. POSSESSIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** Not Yet Determined

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will address the determination of residency in U.S. possessions.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-159243-03

Drafting attorney: J. David Varley (202) 435-5265

Reviewing attorney: W. Edward Williams (202) 622-3830

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** J. David Varley, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Ave., N.W., Washington, DC 20224  
Phone: 202 435-5265

W. Edward Williams, Special Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3830

RIN: 1545-BC86

**2643. TRANSACTIONS INVOLVING THE TRANSFER OF NO NET EQUITY VALUE**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 351

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide guidance regarding the application of sections 332, 351, and 368 in certain transactions involving insolvent corporations.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

**Additional Information:** REG-163314-03

Drafting attorney: Jean R. Brenner (202) 622-7790

Reviewing attorneys: Victor L. Penico and Lisa Fuller (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Jean R. Brenner, Attorney-Advisor, Department of the

## TREAS—IRS

## Proposed Rule Stage

Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
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Phone: 202 622-7790

**RIN:** 1545-BC88

#### 2644. PAYMENTS IN THE NATURE OF WORKERS COMPENSATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed rulemaking will exclude payments made pursuant to statutes in the nature of workers' compensation law from the definition of wages as defined in I.R.C. 3121(a).

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Local, State

**Additional Information:** REG-160315-03

Drafting attorney: David R. Ford (202) 622-6040

Reviewing attorney: Marie Cashman (202) 622-6040

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** David R. Ford, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6040

**RIN:** 1545-BC89

#### 2645. DISCLOSURES TO SUBCONTRACTORS

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 6103

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** Proposed rule to amend existing regulations on disclosure of returns and return information in

connection with procurement of property and services for tax administration purposes.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal, State

**Additional Information:** REG-148867-03

Drafting attorney: Helene R. Newsome (202) 622-4570

Reviewing attorney: Gerald R. Ryan (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** Helene R. Newsome, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4570

**RIN:** 1545-BC92

#### 2646. REVISION OF SECTION 301.6103(J)-1 FOR DISCLOSURE TO THE BUREAU OF ECONOMIC ANALYSIS, DEPARTMENT OF COMMERCE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 6103

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation concerns the disclosure of corporate tax information to the Bureau of Economic Analysis, Department of Commerce.

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148864-03

Drafting attorney: Joseph E. Conley (202) 622-4580

CC:PA:DPL

**Agency Contact:** Joseph E. Conley, Attorney-Advisor, Department of the

Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4580

**RIN:** 1545-BC93

#### 2647. GUIDANCE REGARDING THE ACTIVE TRADE OR BUSINESS REQUIREMENT UNDER SECTION 355(B)

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed rulemaking will provide guidance regarding the active trade or business requirement under section 355(b).

##### Timetable:

Action	Date	FR Cite
NPRM	12/00/04	

##### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-123365-03

Drafting attorney: Russell P. Subin (202) 622-7790

Reviewing attorney: Richard Coss (202) 622-7790

CC:COR

**Agency Contact:** Russell P. Subin, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7790

**RIN:** 1545-BC94

#### 2648. ACCUMULATED ADJUSTMENT ACCOUNT AND OTHER CORPORATE SEPARATIONS UNDER SECTION 355

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulation will amend the current regulations under section 1.368-2 in order to address the proper treatment of an S

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corporations accumulated adjustment account in a section 355 transaction not preceded by a section 368(a)(1)(D) reorganization.

**Timetable:**

Action	Date	FR Cite
NPRM	08/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-168722-03

Drafting attorney: Christopher L. Trump (202) 622-3070

Reviewing attorney: James Quinn (202) 622-3070

CC:PSI

**Agency Contact:** Christopher L. Trump, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

**RIN:** 1545-BC98

**2649. ATTAINED AGE OF THE INSURED**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulations define the age of the insured to be used by the insurance companies for the cash value corridor and maturity date assumption required to determine if a contract insuring more than one life qualifies as a life insurance contract for Federal income tax purposes.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-168892-03

Drafting attorney: Ann H. Logan (202) 622-3970

Reviewing attorney: Donald Drees (202) 622-3970

CC:FI

**Agency Contact:** Ann H. Logan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3970

**RIN:** 1545-BD00

**2650. SUPPORT TEST IN THE CASE OF A CHILD OF DIVORCED PARENTS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 152

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations will amend section 1.152-4 to delete obsolete provisions, update other provisions, and clarify the definition of "custody." It will incorporate the guidance provided in section 1.152-4T and provide additional guidance on the release of a custodial parent's claim to exemption.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-149856-03

Drafting attorney: Victoria J. Driscoll (202) 622-4920

Reviewing attorney: Robert A. Berkovsky (202) 622-4920

Treasury attorney: Eric San Juan (202) 622-0224

CC:ITA

**Agency Contact:** Victoria J. Driscoll, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4920  
Fax: 2026226853

**RIN:** 1545-BD01

**2651. DUAL CONSOLIDATED LOSS REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1503

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This proposed regulation provides additional guidance with respect to dual consolidated losses under section 1503(d).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-102144-04

Drafting attorney: Kathryn T. Holman (202) 622-3860

Reviewing attorney: Michael H. Frankel (202) 622-3860

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Kathryn T. Holman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-BD10

**2652. CURRENT LIABILITY INTEREST RATE UNDER SECTION 412(B)(5)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 412(b)(5)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations will provide rules regarding the current liability interest rate under section 412(b)(5).

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-105966-04

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

CC:TEGE

**Agency Contact:** Linda Marshall, Senior Counsel, Department of the

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1111 Constitution Avenue NW,  
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Phone: 202 622-8012

**RIN:** 1545-BD13

### 2653. DEFINITION OF QUALIFIED FOREIGN CORPORATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805(a); 26 USC 1

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** Notice 2003-79, section 5, published on November 28, 2003, states that the IRS intends to issue regulations, for years after 2003, that provide procedures for a foreign corporation to certify that it is a qualified foreign corporation for purposes of IRC section 1(h)(11)(C). The regulations will also provide procedures for certifying that a security that is not a common or ordinary share is equity rather than debt; that a foreign company is entitled to benefits under a comprehensive income tax treaty where a security is not readily tradable on a recognized U.S. stock exchange; and that the foreign corporation is not a FPHC, FIC, or PFIC in the taxable year in which a dividend is paid, or in the preceding taxable year. The regulations are also expected to address the meaning of the requirement in the legislative history that to qualify under a treaty for purposes of 1(h)(11) "substantially all of . . . [the foreign corporation's] income in the taxable year in which the dividend is paid" must qualify for treaty benefits.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-107420-04

Drafting attorney: Michelle S. Lyon (202) 622-3880

Reviewing attorney: Karen Rennie (202) 622-3880

Treasury attorney: John Harrington (202) 622-0589

CC:INTL

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Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
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**RIN:** 1545-BD15

### 2654. MOVE AND UPDATE THE ESTIMATED TAX REGULATIONS

**Priority:** Info./Admin./Other

**Legal Authority:** 26 USC 6654

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation will move and update the estimated tax regulations from Treasury Regulation sections 1.6015(a)-(j) and 301.6015 to the section 6654 regulations.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-147157-03

Drafting attorney: Tonya L. Christianson (202) 622-4910

Reviewing attorney: Tiffany Smith (202) 622-4910

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:APJ

**Agency Contact:** Tonya L. Christianson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BD17

### 2655. REMIC INTEREST-ONLY REGULAR INTERESTS

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The advanced notice of proposed rulemaking describes rules that the IRS and Treasury Department are considering regarding the proper timing of income or deduction attributable to an interest only regular

interest in a Real Estate Mortgage Investment Conduit (REMIC). Under section 860B(a) of the Internal Revenue Code, an interest only regular interest in a REMIC (REMIC IO) is treated as a debt instrument. However, unlike traditional debt instruments, the amount received by a holder of a REMIC IO may not exceed the holder's initial investment. As a result, REMIC IOs have presented difficult and novel questions in the application of the rules for original issue discount, market discount, and premium. The IRS and Treasury Department are therefore considering whether to prescribe regulations under the authority of section 1275(d), and the other regulatory authority, with respect to the tax treatment of REMIC IOs for both initial purchasers and secondary market purchasers.

**Timetable:**

Action	Date	FR Cite
ANPRM	08/25/04	69 FR 52212
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-106679-04

Drafting attorney: Kathleen Sleeth (202) 622-3920

Reviewing attorney: Dale Collinson (202) 622-3920

Treasury attorney: Michael Novey (202) 622-1339

CC:FI

**Agency Contact:** Kathleen Sleeth, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3920

**RIN:** 1545-BD18

### 2656. ESCROW ACCOUNTS, TRUSTS, AND OTHER FUNDS USED DURING DEFERRED EXCHANGES OF LIKE-KIND PROPERTY

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 468B(g)

**CFR Citation:** 26 CFR 1; 26 CFR 602

**Legal Deadline:** None

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**Abstract:** These proposed regulations provide rules under section 468B(g) regarding the taxation and reporting of the income earned on escrow accounts, trusts, and other funds used for deferred exchanges of like-kind property under section 1031(a)(3). The proposed regulations affect qualified escrow accounts, qualified trusts, and other funds established in connection with deferred like-kind exchanges, and the taxpayers, escrowees, trustees, qualified intermediaries, and other parties who receive the funds or establish, maintain, and administer the accounts.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-113365-04

Drafting attorney: A. Katharine J. Kiss (202) 622-4930

Reviewing attorney: Jeffrey G. Mitchell (202) 622-4930

CC:ITA:B07

**Agency Contact:** A. Katharine Kiss, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4930

**Related RIN:** Split from 1545-AR82**RIN:** 1545-BD19**2657. SECTION 42 QUALIFIED CONTRACT PROVISIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 42**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed regulation under sections 42(h)(6)(F) and 42(h)(6)(K) will provide guidance for provisions relating to qualified contracts.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Additional Information:** REG-114084-03

Drafting attorney: Lauren R. Taylor (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Sharon Kay (202) 622-0865

CC:PSI

**Agency Contact:** Lauren R. Taylor, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-BD20**2658. PAYMENTS FOR WHICH NO RETURN OF INFORMATION IS REQUIRED UNDER SECTION 6041**

**Priority:** Info./Admin./Other. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 6041**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed regulation will remove section 1.6041-3(g) of the Income Tax Regulations.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-147136-03

Drafting attorney: Michelle B. Baxter (202) 622-4910

Reviewing attorney: James C. Gibbons (202) 622-7085

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Michelle B. Baxter, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BD21**2659. INTEREST ON LARGE CORPORATE UNDERPAYMENTS UNDER SECTION 6621 (C)****Priority:** Info./Admin./Other**Legal Authority:** 26 USC 6621**CFR Citation:** 26 CFR 301**Legal Deadline:** None

**Abstract:** These proposed regulations will amend section 301.6621-3 of the Procedure and Administration Regulations to address the treatment of net operating loss carrybacks, capital loss carrybacks, and a credit carrybacks for purposes of determining whether a large corporate underpayment exists under section 6621(c). This regulation will also implement the changes made by the Taxpayer Relief Act of 1997.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-147151-03

Drafting attorney: Michelle B. Baxter (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJ

**Agency Contact:** Michelle B. Baxter, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BD22**2660. GUIDANCE ON PHASED RETIREMENT****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** Not Yet Determined**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed guidance will lay out rules for establishing a bona fide phased retirement program. Generally, such a program would provide employees who are at or near eligibility for retirement with the

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opportunity for a reduced schedule and to receive a distribution of a proportionate share of their pension benefits based on their “partial retirement.”

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-114726-04

Drafting attorney: Cathy A. Vohs (202) 622-6090

Reviewing attorney: Janet Laufer (202) 622-6090

Treasury attorney: Bill Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Cathy A. Vohs, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

**RIN:** 1545-BD23**2661. DEFINITION OF DISQUALIFIED PERSON**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These proposed regulations provide certain changes to the definition of a disqualified person under section 1.1031-1(k) of the income tax regulations to facilitate the ability of banks and bank affiliates to act as qualified intermediaries in section 1031 exchanges.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-160005-03

Drafting attorney: Brendan P. O'Hara (202) 622-4920

Reviewing attorney: Steven Toomey (202) 622-4920

CC:ITA

**Agency Contact:** Brendan O'Hara, Attorney Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7900

**RIN:** 1545-BD28**2662. REQUIREMENTS FOR REORGANIZATIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC 368**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will provide guidance regarding reorganizations under section 368(a)(1)(f) of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-106889-04

Drafting attorney: Robert B. Gray (202) 622-7550

Reviewing attorney: Debra L. Carlisle (202) 622-7550

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Robert B. Gray, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550

**RIN:** 1545-BD31**2663. UNDERPAYMENT FOR QUALIFIED AMENDED RETURNS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations will revise the definition of “qualified amended return” in accordance with Notice 2004-38.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-122847-04

Drafting attorney: Nancy M. Galib (202) 622-7022

Reviewing attorney: Ashton P. Trice (202) 622-4940

Treasury attorneys: Julian Kim and Jonathan Ackerman (202) 622-1981

CC: APJ

**Agency Contact:** Nancy M. Galib, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024  
Phone: 202 622-7022

**RIN:** 1545-BD40**2664. APPLICATION OF SECTIONS 304(B)(6) AND 367 IN CROSS BORDER SECTION 304 TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 304(b)(6); 26 USC 367(a)(6); 26 USC 367(b)**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This proposed regulation will coordinate sections 304 and 367 in cross-border stock redemptions.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-127740-04

Drafting attorney: Tasheaya Warren Ellison (202) 622-3870

## TREAS—IRS

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Reviewing attorney: Joseph Calianno  
(202) 622-3810

Treasury attorney: Carl Dubert (202)  
622-0222

CC:INTL

**Agency Contact:** Tasheaya Warren  
Ellison, Attorney-Advisor, Department  
of the Treasury, Internal Revenue  
Service, 1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3870

**RIN:** 1545-BD46

**2665. • SALARY REDUCTION  
AGREEMENT UNDER SECTION  
312(A)(5)(D) (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC  
6302

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** The temporary regulation defines the term "salary reduction agreement" within the meaning of section 3121(a)(5)(D) as a plan or arrangement whereby payment will be made by an employer to an annuity described in section 403(b) if an employee elects to reduce his compensation or if an employee agrees as a condition of employment to make a mandatory contribution that reduces his compensation.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** Governmental  
Jurisdictions, Organizations

**Government Levels Affected:** Local,  
State

**Additional Information:** REG-155608-02

Drafting attorney: Neil D. Shepherd  
(202) 622-6040

Reviewing attorney: Lynne Camillo  
(202) 622-6040

Treasury attorney: William Bortz (202)  
622-1332

CC:TEGE

**Agency Contact:** Neil D. Shepherd,  
Attorney-Advisor, Department of the  
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Phone: 202 622-6040

**Related RIN:** Related to 1545-BB64

**RIN:** 1545-BD50

**2666. • HIPAA PORTABILITY:  
SPECIAL ENROLLMENT  
PROCEDURES, TOLLING, AND  
INTERACTION WITH FMLA**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC  
9833

**CFR Citation:** 26 CFR 54

**Legal Deadline:** None

**Abstract:** These regulations enhance the existing HIPAA portability regulations by tolling the running of certain time periods in certain circumstances, clarifying the procedures for requesting special enrollment, addressing how the HIPAA portability requirements apply to individuals taking leave under the Family and Medical Leave Act of 1993, and prescribing how to count the number of employees an employer has.

**Timetable:**

Action	Date	FR Cite
NPRM	06/00/05	

**Regulatory Flexibility Analysis  
Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-130370-04

Drafting attorney: Russell Weinheimer  
(202) 622-6080

Reviewing attorney: Alan Tawshunsky  
(202) 622-6000

Treasury attorney: Kevin Knopf (202)  
622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer,  
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1111 Constitution Avenue NW,  
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Phone: 202 622-6080

**Related RIN:** Related to 1545-AW02,  
Related to 1545-AX84

**RIN:** 1545-BD51

**2667. • UPDATE OF 415  
REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** These proposed regulations amend the regulations under section 415 of the Internal Revenue Code relating to limitations on benefits and contributions under qualified plans. Section 415 provides a complex series of limits on benefits under defined benefit plans and contributions and other additions under defined contribution plans. Comprehensive regulations regarding section 415 were last issued in 1980. These regulations are being proposed to reflect statutory changes and guidance items and to clarify certain other issues.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis  
Required:** Undetermined

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-130241-04

Drafting attorney: Linda Marshall (202)  
622-8012

CC:TEGE:QP1

**Agency Contact:** Linda Marshall,  
Senior Counsel, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-8012

**RIN:** 1545-BD52

**2668. • GUIDANCE UNDER SECTION  
1502; MISCELLANEOUS OPERATING  
RULES FOR SUCCESSOR PERSONS;  
APPLICABILITY OF SECTION 381**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC  
1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will address certain issues related to complete liquidations when more than one group member owns stock of the liquidating company.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	



## TREAS—IRS

## Proposed Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-131128-04Drafting attorney: Jeffrey B. Fienberg  
(202) 622-7770Reviewing attorney: Edward S. Cohen  
(202) 622-7770Treasury attorney: Audrey Nacamuli  
(202) 622-5721

CC: CORP:B2

**Agency Contact:** Jeffrey B. Fienberg,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-7770**RIN:** 1545-BD54**2669. • AGGREGATE COMPUTATION;  
ALLOCATION OF RESEARCH CREDIT  
II****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 41**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation relates to the  
computation and allocation of the  
credit for increasing research activities  
for members of a controlled group  
under section 41(f) of the Internal  
Revenue Code.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:**  
Undetermined**Additional Information:** REG-134030-04Drafting attorney: Nicole R. Cimino  
(202) 622-3120Reviewing attorney: Brenda M. Stewart  
(202) 622-3120Treasury attorney: Sharon Kay (202)  
622-0865

CC:PSI

**Agency Contact:** Nicole R. Cimino,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3120**RIN:** 1545-BD60**2670. • CLASSIFICATION OF INDIAN  
TRIBAL CORPORATIONS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7701; 26 USC  
7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation will provide  
guidance regarding classificataion of  
Indian Tribal Corporations for Federal  
tax purposes.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-136069-04Drafting attorney: Barbara Campbell  
(202) 622-3050Reviewing attorney: Dianna Miosi (202)  
622-3050

CC:PSI

**Agency Contact:** Barbara Campbell,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3050**RIN:** 1545-BD61**2671. • MANDATORY E-FILING FOR  
FORMS 1120****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6011(e)**CFR Citation:** 26 CFR 1; 26 CFR 301**Legal Deadline:** None**Abstract:** These proposed regulations  
will provide that certain entities that  
file at least 250 information returns  
during the calendar year are required  
to file their income tax returns  
electronically.**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Businesses,  
Organizations**Government Levels Affected:** None**Additional Information:** REG-130671-04Drafting attorney: Michael E. Hara (202)  
622-4910Reviewing attorneys: James Gibbons  
(202) 622-4910 and Carol Nachman  
(202) 622-4910

CC:PA:APJP:1

**Agency Contact:** Michael E. Hara,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-4910**RIN:** 1545-BD65**2672. • REMIC RESIDUALS-FOREIGN  
HOLDERS (TEMPORARY)****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC  
860G**CFR Citation:** None**Legal Deadline:** None**Abstract:** The regulations address the  
recognition of income associated with  
a Real Estate Mortgage Investment  
Conduit (REMIC) residual interest that  
is allocated to a foreign person.**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-159929-02Drafting attorney: Arturo Estrada (202)  
622-3900Treasury attorney: Andrew Froberg  
(202) 622-1779

CC:FI

**Agency Contact:** Arturo Estrada,  
Attorney-Advisor, Department of the  
Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
Washington, DC 20224  
Phone: 202 622-3900**RIN:** 1545-BD66**2673. • DECLARATORY JUDGMENT—  
GIFT TAX VALUE****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined

## TREAS—IRS

## Proposed Rule Stage

**Legal Authority:** 26 USC 7477

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Proposed regulations relating to the redetermination of value of certain gifts in a declaratory judgment action.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-143716-04

Drafting attorney: Juli Ro Kim (202) 622-3090

Reviewing attorney: George Masnik (202) 622-3090

Treasury attorney: Cathy Hughes (202) 622-9407

CC: PSI

**Agency Contact:** Juli Ro Kim, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3090

**RIN:** 1545-BD67

**2674. • USE OF ELECTRONIC TECHNOLOGIES FOR PROVIDING NOTICES AND TRANSMITTING ELECTIONS AND CONSENTS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 401; PL106-229, SEC 104

**CFR Citation:** 26 CFR 1; 26 CFR 35; 26 CFR 54

**Legal Deadline:** None

**Abstract:** The proposed regulations provide guidance on the permitted use of electronic media to provide certain notices to recipients or to transmit participant and beneficiary elections or consents with respect to employee benefit plans. In general, the proposed regulations would affect plan sponsors of and participants and beneficiaries in employee benefit plans

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-138362-04

Drafting attorney: Pamela R. Kinard (202) 622-6060

Reviewing attorney: Marjorie Hoffman (202) 622-6060

CC: TEGE

**Agency Contact:** Pamela R. Kinard, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BD68

**2675. • DISABLED ACCESS CREDIT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 44; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Guidance under section 44 regarding the disabled access credit for eligible small business.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-144246-04

Drafting attorney: Eric B. Lee (202) 622-3120

Reviewing attorney: Leslie H. Finlow (202) 622-3120

Treasury attorney: Sharon Kay (202) 622-0865

CC: PSI

**Agency Contact:** Eric B. Lee, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3120

**RIN:** 1545-BD69

**2676. • SECTION 704(B)(2) AND SUBSTANTIALITY**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 704(b)(2)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Clarify the substantiality rules under section 1.704-1(b)(2)(iii) as to the impact of the tax consequences to owners of partners on the determination of substantiality.

**Timetable:**

Action	Date	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-144620-04

Drafting attorney: Heather L. Fought (202) 622-3060

Reviewing attorney: Beverly Katz (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC: PSI

**Agency Contact:** Heather L. Fought, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**RIN:** 1545-BD70

**2677. • REGULATIONS UNDER SECTION 706 REGARDING TAXABLE YEAR OF A PARTNERSHIP**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 706

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide rules regarding the determination of a partner's distributive share when the partner's interest changes.

**Timetable:**

Action	Date	FR Cite
NPRM	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

## TREAS—IRS

## Proposed Rule Stage

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-144689-04

Drafting attorney: Laura C. Nash (202) 622-3050

Reviewing attorney: David Haglund (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Laura C. Nash, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3050

**RIN:** 1545-BD71

#### 2678. • SHAREHOLDER'S BASIS IN STOCK OF AN S CORPORATION

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 1367

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide rules relating to the determination of a shareholder's basis in stock of an S Corporation.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-144859-04

Drafting attorney: Stacey Short (202) 622-3070 and Christopher Trump (202) 622-3070

Reviewing attorney: Christine Ellison (202) 622-3070

CC:PSI

**Agency Contact:** Stacy L. Short, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**RIN:** 1545-BD72

#### 2679. • GUIDANCE UNDER SECTION 707(C) REGARDING GUARANTEED PAYMENTS

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 707

**CFR Citation:** Not Yet Determined

**Legal Deadline:** None

**Abstract:** This regulation will modify the regulations under section 707(c) to address certain situations involving guaranteed payments to partners.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-144694-04

Drafting attorney: Jason T. Smyczek (202) 622-3050

Reviewing attorney: Dan Carmody (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Jason T. Smyczek, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3050

**RIN:** 1545-BD74

#### 2680. • GUIDANCE UNDER SECTION 368 REGARDING MERGERS WITH AND INTO A FOREIGN CORPORATION

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 368

**Legal Deadline:** None

**Abstract:** This regulation addresses whether a transaction involving one or more foreign corporations may qualify as a statutory merger within the meaning of section 368(a)(1)(A) of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-117969-00

Drafting attorney: Vincent Daly (202) 622-7770

Reviewing attorney: Marlene Oppenheim (202) 622-7770

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Vincent Daly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**RIN:** 1545-BD76

#### 2681. • CLASSIFICATION OF CERTAIN FOREIGN ENTITIES

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 7701

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will revise the entity classification rules.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** REG-148521-04

Drafting attorney: Ronald M. Gootzeit (202) 622-3860

Reviewing attorney: Charles M. Besecky (202) 622-3860

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Ronald M. Gootzeit, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**Related RIN:** Related to 1545-BD78

**RIN:** 1545-BD77

## TREAS—IRS

## Proposed Rule Stage

**2682. • CLASSIFICATION OF CERTAIN FOREIGN ENTITIES (TEMPORARY)**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805; 26 USC 7701

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will revise the entity classification rules.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Additional Information:** REG-148521-04

Drafting attorney: Ronald M. Gootzeit (202) 622-3860

Reviewing attorney: Charles M. Besecky (202) 622-3860

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Ronald M. Gootzeit, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**Related RIN:** Related to 1545-BD77

**RIN:** 1545-BD78

**2683. • POSSIBLE UPDATE AND REVISION OF TREASURY REGULATION SECTIONS 1.381(C)(4) AND (5)-1**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 381(c)(4); 26 USC 381(C)(5)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed amendments will focus on how to determine the principal accounting method; how taxpayers will procedurally change when they're not permitted to use or prefer not to use the principal accounting method; how taxpayers will reflect the difference in computing taxable income when they change their accounting methods; reconciling

Treasury Regulation section 1.381(c)(4) language, terms, and conditions with Treasury Regulation section 1.381(c)(5); reordering, simplifying, and indexing Treasury Regulation sections 1.381(c)(4) and (5).

**Timetable:**

Action	Date	FR Cite
NPRM	01/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-151884-03 and REG-151887-03

Drafting attorney: Jeffery G. Mitchell (202) 622-4930

Treasury attorney: Sharon Kay (202) 622-0865

CC:ITA

**Agency Contact:** Jeffery G. Mitchell, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4970

**RIN:** 1545-BD81

**2684. • AMENDMENTS TO 26 CFR SECTION 1.263(A)-5 REGARDING TREATMENT OF CAPITALIZED COSTS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 263(a)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** To reduce the prospect of future controversy, the Service and Treasury Department intend to propose regulations to address the treatment of amounts that facilitate certain tax-free and taxable transactions and other restructurings and that are required to be capitalized under section 263(a) and section 1.263(a)-5.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-143640-04

Drafting attorney: Angella L. Warren (202) 622-4950

CC:ITA

**Agency Contact:** Angella L. Warren, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-4950

**RIN:** 1545-BD82

**2685. • GUIDANCE REGARDING SELECTED ISSUES UNDER SECTION 336(E)**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 336; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Proposed regulations will address the circumstances in which a corporation that owns stock in another corporation meeting the requirements of section 1504(a)(2) and that sells, exchanges, or distributes all of such stock, can make an election under section 336(e) to treat such sale, exchange, or distribution as a disposition of all the assets of such other corporation and recognize no gain or loss on the sale, exchange, or distribution of such stock.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-143544-04

Drafting attorney: Emidio J. Forlini (202) 622-7930

CC: COR

**Agency Contact:** Emidio J. Forlini Jr., Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-7930

**RIN:** 1545-BD84

## TREAS—IRS

## Proposed Rule Stage

**2686. • GUIDANCE UNDER SECTION 79**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 79

**CFR Citation:** 26 CFR 79

**Legal Deadline:** None

**Abstract:** Guidance under 26 U.S.C. section 79, group term life insurance.

**Timetable:**

Action	Date	FR Cite
NPRM	07/00/05	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined

**Agency Contact:** Betty J. Clary, Attorney-Advisor, Department of the

Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

**RIN:** 1545-BD85

**2687. • DEFINITION OF THE "DUE DATE" FOR PURPOSES OF CALCULATING OVERPAYMENT INTEREST UNDER SECTION 301.6611(H)**

**Priority:** Info./Admin./Other

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 6611

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** These regulations will amend 26 CFR section 301.6611-1(h) to clarify the allowance for overpayment interest in cases in which an overpayment is credited against an underpayment.

**Timetable:**

Action	Date	FR Cite
NPRM	03/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-148576-04

Drafting attorney: Tatiana Belenkaya (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

CC:APJP:B01

**Agency Contact:** Tatiana L. Belenkaya, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BD86

## Department of the Treasury (TREAS)

## Final Rule Stage

## Internal Revenue Service (IRS)

**2688. FOREIGN CORPORATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 367

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The income tax regulations under section 367 will be amended to reflect the changes made to that section by the Tax Reform Act of 1984. Section 367 now provides generally that a foreign corporation will not be considered to be a corporation, for purposes of certain nonrecognition provisions of the Code, upon the transfer of property to such corporation by a U.S. person. The statute provides certain exceptions to that rule, exemptions to those exceptions, and special rules applicable to certain specified transfers. The regulations will provide guidance concerning the applicability of the general rule and its exceptions and special rules, including guidance concerning transfers of assets for use in the active conduct of a trade or business, stock transfers, transfers of intangible assets, and transfers of branch operations that have operated at a loss.

**Timetable:**

Action	Date	FR Cite
NPRM	05/16/86	51 FR 17990
Final Action	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-209042-86 (INTL-610-86)

Drafting attorney: Michael H. Frankel (202) 622-3860

Reviewing attorney: Charlie Besecky (202) 622-3860

CC:INTL

**Agency Contact:** Michael H. Frankel, Senior Technical Reviewer, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**RIN:** 1545-AK74

**2689. NONRECOGNITION OF CORPORATE DISTRIBUTIONS AND REORGANIZATIONS UNDER THE FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 897

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide rules concerning the effect of certain distributions including dividends, redemptions, distributions pursuant to reorganizations, and liquidations on corporations and their shareholders under the Foreign Investment in Real Property Tax Act. Regulations will also provide rules for determining the extent to which nonrecognition would apply to certain transfers of real property interests and the extent to which certain reorganizations will be treated as sales of property at fair market value.

**Timetable:**

Action	Date	FR Cite
NPRM	05/05/88	53 FR 16233
Hearing	03/01/89	54 FR 1189
Final Action	12/00/04	

## TREAS—IRS

## Final Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209039-87 (INTL-491-87)

Drafting attorney: Robert W. Lorence (202) 622-3860

Reviewing attorney: Charles P. Besecky (202) 622-3860

CC:INTL

**Agency Contact:** Robert W. Lorence, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860**RIN:** 1545-AK79**2690. REGISTRATION REQUIRED OBLIGATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 165**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will finalize all outstanding proposed regulations under section 1.163-1(b)(2).**Timetable:**

Action	Date	FR Cite
NPRM	01/21/93	58 FR 5316
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-208245-90 (INTL-115-90)

Drafting attorney: Carl M. Cooper (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

CC:INTL

**Agency Contact:** Carl M. Cooper, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840**RIN:** 1545-AP33**2691. INTEREST-FREE ADJUSTMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 6205**CFR Citation:** 26 CFR 31**Legal Deadline:** None**Abstract:** Under section 6205(a)(1) of the Code, if less than the correct amount of tax imposed under the FICA, the RRTA, or the income tax withholding provisions is paid with respect to any payment of wages or compensation, proper adjustments with respect to both the tax and amount to be deducted must be made without interest in such manner and in such times as the Secretary may by regulations prescribe. The amendments add language to clarify that an interest-free adjustment can be made in certain situations in which the error is ascertained before the appropriate return is filed. The amendments are intended to apply only to situations in which no return was filed because the employer improperly failed to treat its workers as employees.**Timetable:**

Action	Date	FR Cite
NPRM	12/10/92	57 FR 58423
NPRM Comment Period End	02/08/93	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209538-92 (EE-12-92)

Drafting attorney: Karin Loverud (202) 622-6060

Reviewing attorney: Mary Oppenheimer (202) 622-6010

CC:TEGE

**Agency Contact:** Karin Loverud, Tax Law Specialist, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060**RIN:** 1545-AQ61**2692. DEFINITION OF "HIGHLY COMPENSATED EMPLOYEE"****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 414**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations define the term "highly compensated employee" under section 414(q) of the Code. Temporary and proposed regulations, under sections 414(q) and 414(s), were published February 19, 1988 (53 FR 4965). Final regulations, under section 414(s), were published September 19, 1991 (56 FR 47659), under project EE-129-86. The regulations under 414(q) were split off from project EE-129-86. It is anticipated that proposed regulations under section 414(q) will be published in the future under project REG-209558-92 (EE-32-92).**Timetable:**

Action	Date	FR Cite
NPRM	02/19/88	53 FR 4999
NPRM Comment Period End	04/19/88	
Partially Closed by TD 8548	06/27/94	59 FR 32911
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local, State**Federalism:** Undetermined**Additional Information:** REG-209558-92

Drafting attorney: R. Lisa Mojiri-Azad (202) 622-6080

Reviewing attorney: Marjorie Hoffman (202) 622-6030

Treasury attorney: W. Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** R. Lisa Mojiri-Azad, Senior Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060**RIN:** 1545-AQ74**2693. ESCROW FUNDS AND OTHER SIMILAR FUNDS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 0468B

## TREAS—IRS

## Final Rule Stage

**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides further guidance relating to certain escrow funds and other similar funds.**Timetable:**

Action	Date	FR Cite
NPRM	02/01/99	64 FR 4801
NPRM Comment Period End	05/03/99	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-209619-93 (IA-17-93)

Drafting attorney: Richard Shevak (202) 622-8142

Reviewing attorney: Jeffery G. Mitchell (202) 622-7034

CC:ITA:7

**Agency Contact:** Richard Shevak, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8142**Related RIN:** Related to 1545-BD19**RIN:** 1545-AR82**2694. MARK-TO-MARKET UPON DISPOSITION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 475**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations address the relationship between mark-to-market accounting and accrual of stated interest, discount and premium, and between mark-to-market accounting and the tax treatment of bad debts. The regulations also provide that securities are to be marked to market upon disposition by a dealer and the exemption from marking to market in certain securitization transactions.**Timetable:**

Action	Date	FR Cite
NPRM	01/04/95	60 FR 397
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209724-94 (FI-42-94)

Drafting attorney: Stephen J. Coleman (202) 622-6289

Reviewing attorney: Elizabeth Handler (202) 622-3157

CC:FIP

Sections 1.475(a)-3 finalized in TD 8700. Sections 1.475(b)-4 finalized in TD 8700. Sections 1.475(c)-2 finalized in TD 8700.

**Agency Contact:** Stephen J. Coleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-6289

**RIN:** 1545-AS85**2695. STRADDLES—  
—MISCELLANEOUS ISSUES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1092**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation clarifies the circumstances in which common stock may be personal property for purposes of section 1092.**Timetable:**

Action	Date	FR Cite
NPRM	05/02/95	60 FR 21482
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-209768-95 (FI-21-95)

Drafting attorney: Mary Brewer (202) 622-3950

Reviewing attorney: Christina Morrison (202) 622-3950

Treasury attorney: Mike Novey (202) 622-1339

CC:FI

**Agency Contact:** Mary Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3950

**RIN:** 1545-AT46**2696. DEFINITION OF PRIVATE ACTIVITY BOND—REFUNDING REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations will provide guidance on the application of the private loan test and the private business use and private payments/security tests to refunding bonds.**Timetable:**

Action	Date	FR Cite
NPRM	12/30/94	59 FR 67658
NPRM Comment Period End	05/01/95	
Second NPRM	05/14/03	68 FR 25845
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-113007-99

Drafting attorney: Laura Lederman (202) 622-3980

Treasury attorney: Stephen Watson (202) 622-1322

CC:TEGE

**Agency Contact:** Laura Lederman, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3980

**RIN:** 1545-AU98**2697. RETURN OF LEVIED PROPERTY IN CERTAIN CASES****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** Section 501(b) of the Taxpayer Bill of Rights 2 amended section 6343 of the Internal Revenue Code to authorize the Secretary to return levied property in four enumerated circumstances. Section

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1102(d)(1)(B) of RRA 98 changed "Taxpayer Advocate" to "National Taxpayer Advocate" as a person who determines what is in the best interest of the taxpayer. The regulations set forth the circumstances in which the Secretary may return property and procedures to implement these sections.

**Timetable:**

Action	Date	FR Cite
NPRM	02/14/01	66 FR 10249
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-101520-97

Drafting attorney: Kevin B. Connelly (202) 622-3630

Reviewing attorney: Robert Miller (202) 622-3630

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:CBS

**Agency Contact:** Kevin B. Connelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3630

**RIN:** 1545-AV01**2698. ELECTRONIC TRANSMISSION OF WITHHOLDING CERTIFICATES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 6061; 26 USC 1441**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance for the electronic transmission of withholding certificates.

**Timetable:**

Action	Date	FR Cite
NPRM	10/14/97	62 FR 53504
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-107872-97

Drafting attorney: Carl M. Cooper (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

CC:INTL

**Agency Contact:** Carl M. Cooper, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-AV27**2699. MARK-TO-MARKET ACCOUNTING FOR DEALERS IN COMMODITIES AND TRADERS IN SECURITIES AND COMMODITIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 475; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance concerning mark-to-market accounting for securities traders and commodities dealers and traders.

**Timetable:**

Action	Date	FR Cite
NPRM	01/28/99	64 FR 4374
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-104924-98

Drafting attorney: Stephen J. Coleman (202) 622-6289

Reviewing attorney: Elizabeth Handler (202) 622-6289

CC:FI

**Agency Contact:** Stephen J. Coleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6289

**RIN:** 1545-AW06**2700. INTERCOMPANY OBLIGATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulation provides clarification of the tax treatment of

certain transfers of intercompany obligations by or to a member of a consolidated group.

**Timetable:**

Action	Date	FR Cite
NPRM	12/18/98	63 FR 70354
NPRM Comment Period End	03/22/99	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-105964-98

Drafting attorney: Frances Kelly (202) 622-7072

Reviewing attorney: Michael J. Wilder (202) 622-3393

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Frances L. Kelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**Related RIN:** Related to 1545-BA11**RIN:** 1545-AW30**2701. CAPITAL GAIN GUIDANCE RELATING TO CRTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1; 26 USC 664**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulation provides guidance relating to charitable remainder trusts in light of the changes made to section 1(h) of the Internal Revenue Code by the Taxpayer Relief Act of 1997, the Internal Revenue Service Restructuring and Reform Act of 1998, and the Jobs and Growth Tax Relief Reconciliation Act of 2003.

**Timetable:**

Action	Date	FR Cite
NPRM	11/20/03	68 FR 65419
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None



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**Additional Information:** REG-110896-98

Drafting attorney: Theresa M. Melchiorre (202) 622-7830

Reviewing attorney: Katherine A. Mellody (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Theresa M. Melchiorre, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830

**RIN:** 1545-AW35

**2702. REPORTING OF PAYMENTS TO ATTORNEY**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 6045

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation provides information reporting requirements for payments of gross proceeds made in the course of a trade or business to attorneys in connection with legal services.

**Timetable:**

Action	Date	FR Cite
NPRM	05/21/99	64 FR 27730
Second NPRM	05/17/02	67 FR 35064
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-126024-01

Drafting attorney: Nancy L. Rose (202) 622-4910

Reviewing attorney: James C. Gibbons (202) 622-4910

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:APJ

**Agency Contact:** Nancy L. Rose, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-AW72

**2703. HIGHWAY VEHICLE—DEFINITION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 4051

**CFR Citation:** 26 CFR 48

**Legal Deadline:** None

**Abstract:** This regulation provides amendments to regulations relating to definition of a highway vehicle.

**Timetable:**

Action	Date	FR Cite
NPRM	06/06/02	67 FR 38913
Public Hearing	02/27/03	
Final Action	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-103829-99

Drafting attorney: Theodore N. Margopulos (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Theodore N. Margopulos, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130

**RIN:** 1545-AX10

**2704. GUIDANCE ON COST RECOVERY IN THE ENTERTAINMENT INDUSTRY**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to the application of the income forecast method under section 167(g) of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	05/31/02	67 FR 38025
Final Action	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-103823-99

Drafting attorney: Bernard P. Harvey, III (202) 622-3110

Reviewing attorney: Charles B. Ramsey (202) 622-3110

Treasury attorney: George Manousos (202) 622-0865

CC:PSI

**Agency Contact:** Bernard P. Harvey III, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3110

**RIN:** 1545-AX12

**2705. CASH OR DEFERRED ARRANGEMENTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation updates and revises regulations on qualified cash or deferred arrangements, matching contributions, and employee contributions.

**Timetable:**

Action	Date	FR Cite
NPRM	07/17/03	68 FR 42476
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-108639-99

Drafting attorney: R. Lisa Mojiri-Azad (202) 622-6060

Reviewing attorney: Marjorie Hoffman (202) 622-6000

Treasury attorney: W. Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** R. Lisa Mojiri-Azad, Senior Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**Related RIN:** Related to 1545-AX43

**RIN:** 1545-AX26

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**2706. STOCK TRANSFER RULES—  
CARRYOVER OF EARNINGS AND  
TAXES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 367**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides guidance with respect to how earnings and profits and foreign income tax accounts carry over under section 381 and are allocated under section 312 in certain transactions described in section 367(b) of the Internal Revenue Code.**Timetable:**

Action	Date	FR Cite
NPRM	11/15/00	65 FR 69138
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-116050-99

Drafting attorney: Mark R. Pollard (202) 622-3850

Reviewing attorney: Anne Devereaux (202) 622-3850

Treasury attorney: Michael Caballero (202) 622-0851

CC:INTL

**Agency Contact:** Mark R. Pollard, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850**RIN:** 1545-AX65**2707. ALLOCATION AND  
APPORTIONMENT OF INTEREST  
EXPENSE AND CERTAIN OTHER  
EXPENSES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 864**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations provide rules for the allocation and apportionment of interest expenses and certain other expenses for purposes of the foreign tax credit and certain other international tax provisions.**Timetable:**

Action	Date	FR Cite
NPRM	02/05/90	55 FR 3750
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-117608-99

Drafting attorney: David F. Bergkuist (202) 622-3850

Reviewing attorney: Anne O. Devereaux (202) 622-3850

CC:INTL

**Agency Contact:** David F. Bergkuist, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850**RIN:** 1545-AX72**2708. HIPAA PORTABILITY****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 9833**CFR Citation:** 26 CFR 54**Legal Deadline:** None**Abstract:** These regulations provide guidance to group health plans regarding the limitations on imposing pre-existing condition exclusions and the special enrollment rules. These regulations also provide guidance regarding plans and benefits that are not subject to these rules.**Timetable:**

Action	Date	FR Cite
NPRM	04/08/97	62 FR 16977
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-119828-99

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawshunsky (202) 622-6000

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of theTreasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080**RIN:** 1545-AX84**2709. CAPITALIZATION OF INTEREST  
AND CARRYING CHARGES  
PROPERLY ALLOCABLE TO  
STRADDLES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 263; 26 USC 1092**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations will clarify the types of payments that may be "interest" or "carrying charges" subject to 26 U.S.C. 263(g), clarify the operation of the capitalization rules of 26 U.S.C. 263(g), and also clarify what constitutes "positions" and "losses" subject to 26 U.S.C. 1092.**Timetable:**

Action	Date	FR Cite
NPRM	01/18/01	66 FR 4746
NPRM Comment Period End	05/01/01	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-105801-00

Drafting attorney: Mary Brewer (202) 622-3950

Reviewing attorney: Christina Morrison (202) 622-3950

Treasury attorney: Mike Novey (202) 622-1339

CC:FI

**Agency Contact:** Mary Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3950**RIN:** 1545-AX92**2710. ASSUMPTION OF  
PARTNERSHIP LIABILITIES****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 752**CFR Citation:** 26 CFR 1

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**Legal Deadline:** None

**Abstract:** This regulation prevents the acceleration or duplication of losses through the assumption of liabilities in transactions involving partnerships.

**Timetable:**

Action	Date	FR Cite
NPRM	06/24/03	68 FR 37434
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-106736-00

Drafting attorney: Laura Nash (202) 622-3050

Reviewing attorney: Dianna Miosi (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Laura C. Nash, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3050

**Related RIN:** Related to 1545-BB83

**RIN:** 1545-AX93

### 2711. AUTHORIZED PLACEMENT AGENCY

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 152

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation amends the definition of "authorized placement agency" (for purposes of determining whether a child placed for legal adoption in a taxpayer's home is a dependent of the taxpayer) to include biological parents and other persons authorized by State law to place children for legal adoption.

**Timetable:**

Action	Date	FR Cite
NPRM	11/30/00	65 FR 71277
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-107279-00

Drafting attorney: Victoria J. Driscoll (202) 622-4920

Reviewing attorney: Robert A. Berkovsky (202) 622-4920

CC:PA: ITA

**Agency Contact:** Victoria J. Driscoll, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4920  
Fax: 2026226853

**RIN:** 1545-AY18

### 2712. HIPAA GENERAL NONDISCRIMINATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 9833

**CFR Citation:** 26 CFR 54

**Legal Deadline:** None

**Abstract:** These regulations provide guidance regarding the requirements imposed on group health plans not to discriminate in rules for eligibility under the plan on the basis of any health factor, and not to require any individual to pay a higher premium or contribution for coverage under the plan than any similarly situated individual based on any health factor.

**Timetable:**

Action	Date	FR Cite
NPRM	01/08/01	66 FR 1435
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-114082-00

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawshunsky (202) 622-6000

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

**RIN:** 1545-AY32

### 2713. HIPAA NONDISCRIMINATION EXCEPTION FOR CHURCH PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 7853

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide guidance on the exception for certain grandfathered church plans from the general rule requiring group health plans not to discriminate in rules for eligibility on the basis of any health factor.

**Timetable:**

Action	Date	FR Cite
NPRM	01/10/01	66 FR 1437
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-114083-00

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawshunsky (202) 622-6000

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

**RIN:** 1545-AY33

### 2714. HIPAA NONDISCRIMINATION EXCEPTION FOR BONA FIDE WELLNESS PROGRAMS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 9833

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide guidance regarding the exception for certain wellness programs to the general rule imposed on group health plans not to require a higher premium or contribution from an individual than from a similarly situated individual based on any health factor.

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**Timetable:**

Action	Date	FR Cite
NPRM	01/08/01	66 FR 1421
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-114084-00

Drafting attorney: Russell Weinheimer (202) 622-6080

Reviewing attorney: Alan Tawnshunsky (202) 622-6080

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

**Agency Contact:** Russell Weinheimer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

**RIN:** 1545-AY34**2715. INFORMATION REPORTING ON CANCELLATION OF INDEBTEDNESS****Priority:** Substantive, Nonsignificant**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 7805; 26 USC 6050**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation relates to information reporting on the cancellation of indebtedness.**Timetable:**

Action	Date	FR Cite
NPRM	06/13/02	67 FR 40629
Public Hearing	10/08/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-107524-00

Drafting attorney: Joseph P. Dewald (202) 622-4910

Reviewing attorney: Donna Welch (202) 622-4910

Treasury attorney: Michael Novey (202) 622-1339

CC:PA:APJ

**Agency Contact:** Joseph P. Dewald, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-AY35**2716. ALLOCATION OF INCOME AND DEDUCTIONS FROM INTANGIBLES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 482**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These final regulations will address certain transactions between controlled parties that involve intangibles. The regulations will provide rules for allocation of income and deductions with respect to intangibles pursuant to IRC 5482.**Timetable:**

Action	Date	FR Cite
NPRM	09/10/03	68 FR 53448
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Additional Information:** REG-115037-00

Drafting attorneys: Thomas A. Vidano (202) 435-5265; Helen Hong-George (202) 435-5220

Reviewing attorney: John M. Breen (202) 435-5265

Treasury attorney: David Ernack (202) 622-1754

CC:INTL

**Agency Contact:** Thomas A. Vidano, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5265

**RIN:** 1545-AY38**2717. GUIDANCE UNDER SECTION 355(E); RECOGNITION OF GAIN ON CERTAIN DISTRIBUTIONS OF STOCK OR SECURITIES IN CONNECTION WITH AN ACQUISITION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 355(e)(5)**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation provides guidance on section 355(e) of the Internal Revenue Code. Section 355(e) provides that a distributing corporation will recognize gain on the distribution of stock of a controlled corporation if 50 percent or more of the stock of the distributing corporation or controlled corporation is acquired pursuant to a plan that includes the distribution.**Timetable:**

Action	Date	FR Cite
NPRM	04/26/02	67 FR 20711
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-163892-01

Drafting attorney: Amber R. Cook (202) 622-7530

Reviewing attorney: Stephen P. Fattman (202) 622-7700

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP:4

On January 2, 2001, a notice of proposed rulemaking was published in the Federal Register (REG-107566-00; 66 FR 66) under section 355(e) of the Internal Revenue Code of 1986. A public hearing regarding those proposed regulations was held on May 15, 2001. On August 3, 2001, those proposed regulations were published as temporary regulations in the Federal Register (REG-107566-00; 66 FR 40590). This regulation withdrew the notice of proposed rulemaking that was published on January 2, 2001, and provided new rules under section 355(e) of the Internal Revenue Code of 1986 by cross-reference to temporary regulations published in the same issue of the Federal Register.

On January 2, 2001, a notice of proposed rulemaking was published in the Federal Register (REG-107566-00; 66 FR 66) under section 355(e) of the Internal Revenue Code of 1986. A public hearing regarding those proposed regulations was held on May 15, 2001. On August 3, 2001, those proposed regulations were published as temporary regulations in the Federal Register (REG-107566-00; 66 FR 40590). This regulation withdraws the notice of

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proposed rulemaking that was published on January 2, 2001, and provides new rules under section 355(e) of the Internal Revenue Code of 1986 by cross-reference to temporary regulations published in the same issue of the Federal Register.

**Agency Contact:** Amber R. Cook, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**Related RIN:** Related to 1545-BA55

**RIN:** 1545-AY42

### 2718. ELECTION—ASSET ACQUISITIONS OF INSURANCE COMPANIES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 197; 26 USC 338; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations prescribe the manner in which the various provisions of subchapter L, chapter 1, subtitle A of the Internal Revenue Code apply to asset acquisitions deemed to occur by reason of a section 338 election as well as to actual acquisitions of insurance company assets subject to section 1060.

**Timetable:**

Action	Date	FR Cite
NPRM	03/08/02	67 FR 10640
Public Hearing	09/18/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-118861-00

Drafting attorney: Mark Weiss (202) 622-7790

Reviewing attorney: Victor Penico (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-0869

CC:COR

**Agency Contact:** Mark Weiss, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7790

**RIN:** 1545-AY49

### 2719. TAX TREATMENT OF CAFETERIA PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 125

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation provides information about the tax treatment of cafeteria plans.

**Timetable:**

Action	Date	FR Cite
NPRM	01/10/01	66 FR 1923
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Federal

**Additional Information:** REG-209461-79

Drafting attorney: Shoshanna Tanner (202) 622-6080

Reviewing attorney: Janet A. Laufer (202) 622-6090

CC:TEGE

**Agency Contact:** Shoshanna Tanner, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6080

**RIN:** 1545-AY67

### 2720. NORMALIZATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 167; 26 USC 168; 26 USC 46

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations relate to the sale or deregulation of generation assets.

**Timetable:**

Action	Date	FR Cite
NPRM	03/04/03	68 FR 10190
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-104385-01

Drafting attorney: David Selig (202) 622-3040

Reviewing attorney: Peter Friedman (202) 622-3110

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** David Selig, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-AY75

### 2721. NEW MARKET TAX CREDIT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 45D; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations relate to the new markets tax credit under section 45D, which was enacted by section 121(a) of the Community Renewal Tax Relief Act of 2000 (Pub. L. 106-554).

**Timetable:**

Action	Date	FR Cite
ANPRM	05/01/01	66 FR 21844
NPRM	12/26/01	66 FR 66376
Public Hearing	03/14/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Additional Information:** REG-119436-01

Drafting attorney: Paul F. Handleman (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Steve Watson (202) 622-1322

CC:PSI

**Agency Contact:** Paul F. Handleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040

**RIN:** 1545-AY87

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**2722. REDUCTIONS OF ACCRUALS AND ALLOCATIONS BECAUSE OF INCREASED AGE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 411**CFR Citation:** 26 CFR 1**Legal Deadline:** Final, Statutory, February 1, 1988.**Abstract:** These regulations will prescribe rules regarding the requirement that accruals and allocations under qualified retirement plans cannot be reduced because of the attainment of any age.**Timetable:**

Action	Date	FR Cite
NPRM	12/11/02	67 FR 76123
Hearing	04/09/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None**Additional Information:** REG-209500-86

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

CC:TEGE

**Agency Contact:** Linda Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8012**Related RIN:** Related to 1545-BB79**RIN:** 1545-BA10**2723. PROPERTY EXEMPT FROM LEVY****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6334**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** This regulation will describe the judicial procedures for approval of a principal residence seizure, pursuant to I.R.C. sections 6334(a)(13)(B)(i) and 6334(e)(1).**Timetable:**

Action	Date	FR Cite
NPRM	08/19/03	68 FR 49729
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-140378-01

Drafting attorney: Robin M. Ferguson (202) 622-3610

Reviewing attorney: Alan Levine (202) 622-3610

CC:PA:CBS

**Agency Contact:** Robin M. Ferguson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3610**RIN:** 1545-BA22**2724. AMENDMENT TO THE DEFINITION OF REFUNDING****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will amend the definition of a refunding issue applicable to tax-exempt bonds issued by State and local governments.**Timetable:**

Action	Date	FR Cite
NPRM	04/10/02	67 FR 17310
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local, State**Additional Information:** REG-165706-01

Drafting attorney: Michael P. Brewer (202) 622-3980

Reviewing attorney: Timothy L. Jones (202) 622-3980

CC:TEGE

**Agency Contact:** Michael P. Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980**RIN:** 1545-BA46**2725. LOSS LIMITATION RULES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 337(d)**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None**Abstract:** The regulation provides guidance on the treatment of certain losses recognized on sales of subsidiary stock by members of a consolidated group under section 337(d) and section 1502 of the Internal Revenue Code. For related matters, see the proposed regulations published on March 12, 2002, at 67 FR 11070 regarding REG-102740-02.**Timetable:**

Action	Date	FR Cite
NPRM	05/31/02	67 FR 38040
Final Action	05/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-123305-02 and REG-102740-02

Drafting attorney: Lola L. Johnson (202) 622-7550

Reviewing attorney: Sean P. Duffley (202) 622-7530

CC:COR

**Agency Contact:** Lola L. Johnson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7550**Related RIN:** Related to 1545-BA51, Related to 1545-BA74**RIN:** 1545-BA52**2726. MODIFICATION OF CHECK THE BOX REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1; 26 CFR 301**Legal Deadline:** None**Abstract:** The Modification of Check the Box regulation will add a new section to the 301.7701-2 regulations to provide that in certain circumstances, namely in State law mergers and conversions, a surviving disregarded entity will be regarded for purposes of assessment and collection of prior year

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tax liabilities of predecessor entities. Thus, following a transaction in which a regarded entity is merged or converted into a disregarded entity, the Commissioner will be able to exercise collection and assessment authority against the disregarded entity for any liabilities stemming from tax periods of the regarded entity prior to the date of the transaction.

**Timetable:**

Action	Date	FR Cite
NPRM	04/01/04	69 FR 17117
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-106681-02

Drafting attorney: James M. Gergurich (202) 622-3070

Reviewing attorney: Jeanne Sullivan (202) 622-3070

Treasury attorney: Stephanie Robinson (202) 622-9858

CC:PSI

**Agency Contact:** James M. Gergurich, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3070

**RIN:** 1545-BA59

**2727. CIRCULAR 230—TAX SHELTER AMENDMENTS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 31 USC 330

**CFR Citation:** 31 CFR 10

**Legal Deadline:** None

**Abstract:** These regulations propose amendments to the standards for tax opinions related to tax shelters.

**Timetable:**

Action	Date	FR Cite
NPRM	12/30/03	68 FR 75186
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-122379-02

Drafting attorney: Brinton T. Warren (202) 622-7800

Reviewing attorney: Richard S. Goldstein (202) 622-3400

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:APJ

**Agency Contact:** Brinton T. Warren, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BA70

**2728. CARRYBACK OF CONSOLIDATED NET OPERATING LOSSES TO SEPARATE RETURN YEARS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will harmonize the waiver election in regulations section 1.1502-21(b)(3) with the amendments to IRC 172(b) with the Job Creation and Worker Assistance Act of 2002.

**Timetable:**

Action	Date	FR Cite
NPRM	05/31/02	67 FR 38039
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-122564-02

Drafting attorney: Theresa Kolish (202) 622-7530

Reviewing attorney: Lewis Brickates (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Theresa M. Kolish, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**Related RIN:** Related to 1545-BA76

**RIN:** 1545-BA73

**2729. REDEMPTIONS TREATED AS DIVIDENDS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation under section 302 of the Internal Revenue Code (Code), permits basis of redeemed stock to be recovered by the redeemed shareholder. Regulations under section 304 of the Code reflect changes made by the Internal Revenue Service Restructuring and Reform Act of 1998, Taxpayer Relief Act of 1997, Tax Reform Act of 1986, Deficit Reduction Act of 1984, and the Tax Equity and Fiscal Responsibility Act of 1982 to the statute. Regulations under section 304 also reference proposed regulations under section 302 as they relate to the treatment of basis of redeemed stock in redemptions treated as dividends.

**Timetable:**

Action	Date	FR Cite
NPRM	10/18/02	67 FR 64331
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-150313-01

Drafting attorney: Aimee K. Meacham (202) 622-7530

Reviewing attorney: Lewis K. Brickates (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Aimee K. Meacham, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**RIN:** 1545-BA80

**2730. REPORTING REQUIREMENTS FOR WIDELY HELD FIXED INVESTMENT TRUSTS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

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**Abstract:** The regulation relates to reporting requirements for widely held fixed investment trusts.

**Timetable:**

Action	Date	FR Cite
NPRM	06/20/02	67 FR 41892
NPRM Comment Period End	09/18/02	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-106871-00

Drafting attorney: Faith Colson (202) 622-3060

Reviewing attorney: J. Thomas Hines (202) 622-3060

Treasury attorney: Viva Hammer (202) 622-0869

CC:PSI

**Agency Contact:** Faith Colson, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**Related RIN:** Related to 1545-AU15

**RIN:** 1545-BA83

**2731. GUIDANCE ON REPORTING OF DEPOSIT INTEREST PAID TO NONRESIDENT ALIENS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1; 26 CFR 31

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance on the reporting requirements for interest on deposits maintained at U.S. offices of certain financial institutions and paid to nonresident aliens that are residents of certain specified countries.

**Timetable:**

Action	Date	FR Cite
NPRM	08/02/02	67 FR 50386
Hearing	12/05/02	67 FR 50386
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-133254-02

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie Mark Lippe (202) 622-3840

Treasury attorney: Andrew Froberg (202) 622-1779

CC:INTL

**Agency Contact:** Alexandra K. Helou, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3840

**RIN:** 1545-BA86

**2732. AGGREGATE COMPUTATION AND ALLOCATION OF RESEARCH CREDIT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 41

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance on the proper method of computing the research credit for a controlled group. In addition, this regulation will provide guidance on the allocation of the research credit among members of a controlled group.

**Timetable:**

Action	Date	FR Cite
NPRM	07/29/03	68 FR 44499
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-133791-01

Drafting attorney: Nicole R. Cimino (202) 622-3120

Reviewing attorney: Brenda M. Stewart (202) 622-3120

Treasury attorney: Sharon Kay (202) 622-0865

CC:PSI

**Agency Contact:** Nicole R. Cimino, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3120

**Related RIN:** Related to 1545-AX05, Related to 1545-BD60

**RIN:** 1545-BA88

**2733. DESIGNATED IRS OFFICER OR EMPLOYEE**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7802

**CFR Citation:** 26 CFR 1; 26 CFR 301

**Legal Deadline:** None

**Abstract:** This regulatory amendment clarifies that chief counsel attorneys can receive the designated authority to take summoned testimony under oath.

**Timetable:**

Action	Date	FR Cite
NPRM	09/10/02	67 FR 57354
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-134026-02

Drafting attorney: Elizabeth D. Rawlins (202) 622-3600

Reviewing attorney: Robert A. Miller (202) 622-3600

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:CBS

**Agency Contact:** Elizabeth D. Rawlins, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3600

**Related RIN:** Related to 1545-BA98

**RIN:** 1545-BA89

**2734. ALLOCATION OF FOREIGN TAX CREDITS AMONG PARTNERS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 704(6); 26 USC 703(b)(3); 26 USC 702(a)(b)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will provide guidance on how foreign tax expenditures must be allocated to partners under section 704(b).

**Timetable:**

Action	Date	FR Cite
NPRM	04/21/04	69 FR 21454
Final Action	03/00/05	

**Regulatory Flexibility Analysis**  
**Required:** No

**Small Entities Affected:** No



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**Government Levels Affected:** None**Additional Information:** REG-139792-02

Drafting attorney: Heather Faught (202) 622-3060

Reviewing attorney: Beverly M. Katz (202) 622-3060

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** Heather L. Faught, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060**Related RIN:** Related to 1545-BD11**RIN:** 1545-BB11**2735. DISTRIBUTIONS OF PROPERTY****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1023; 26 USC 1024; 26 USC 2032**CFR Citation:** 26 CFR 301; 26 CFR 20**Legal Deadline:** None**Abstract:** This regulation will clarify the language in regulations section 301.9100-6T to remove confusion as to whether relief for making an election under regulations section 2032 is available under sections 301.9100-1 and 301-9100-3.**Timetable:**

Action	Date	FR Cite
NPRM	12/24/03	68 FR 74534
Public Hearing	04/19/04	69 FR 20840
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-139845-02

Drafting attorney: Theresa M. Melchiorre (202) 622-7830

Reviewing attorney: Katherine A. Melody (202) 622-7830

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Theresa M. Melchiorre, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830**RIN:** 1545-BB12**2736. TESTIMONY AUTHORIZATIONS AND REQUESTS FOR IRS INFORMATION****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Unfunded Mandates:** Undetermined**Legal Authority:** 26 USC 301**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** This regulation will amend existing regulations on testimony authorizations and requests for IRS information.**Timetable:**

Action	Date	FR Cite
NPRM	07/09/03	68 FR 40850
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-140930-02

Drafting attorney: Scott E. Powers (202) 622-4580

Reviewing attorney: David L. Fish (202) 622-4590

CC:PA:DPL

**Agency Contact:** Scott E. Powers, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024  
Phone: 202 622-4580**RIN:** 1545-BB15**2737. TOLL TELEPHONE SERVICE—DEFINITION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 49**Legal Deadline:** None**Abstract:** This regulation provides amendments to regulations relating to the definition of toll telephone service.**Timetable:**

Action	Date	FR Cite
NPRM	04/01/03	68 FR 15690
Hearing	09/10/03	68 FR 35828
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Additional Information:** REG-141097-02

Drafting attorney: Cynthia A. McGreevy (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Cynthia A. McGreevy, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130**RIN:** 1545-BB18**2738. AUTHORIZATION FOR IRS TO CHARGE FEES FOR COPYING EXEMPT ORGANIZATION RETURNS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6104**CFR Citation:** 26 CFR 301**Legal Deadline:** None**Abstract:** The regulation provides authorization for Internal Revenue Service to charge fees for copying exempt organization returns.**Timetable:**

Action	Date	FR Cite
NPRM	07/09/03	68 FR 40849
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-142538-02

Drafting attorney: Sarah Tate (202) 622-4590

Reviewing attorney: Philip Lindenmuth (202) 622-4560

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** Sarah Tate, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4590**Related RIN:** Related to 1545-BB22**RIN:** 1545-BB21

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**2739. DUPLICATIVE TAX BENEFITS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation prevents a consolidated group from deriving more than one tax benefit from a single economic loss. A loss on a consolidated return, with respect to the sale of a subsidiary's stock, will be suspended to the extent of duplication (i.e. the group retains the loss asset) as long as the subsidiary remains a member of the group. In addition, there is a basis leveling rule, which prevents groups from loading losses onto a single block of subsidiary stock and selling only that stock, while maintaining that subsidiary as part of the group.

**Timetable:**

Action	Date	FR Cite
NPRM Final Action	03/14/03 12/00/04	68 FR 12324

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-131478-02

Drafting attorney: Aimee K. Meacham (202) 622-7530

Reviewing attorney: Sean P. Duffley (202) 622-7530

CC:COR

**Agency Contact:** Aimee K. Meacham, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**Related RIN:** Related to 1545-BB95**RIN:** 1545-BB25**2740. EXTENSION OF TIME FOR FILING RETURNS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6081**CFR Citation:** 26 CFR 1; 26 CFR 25; 26 CFR 31; 26 CFR 53; 26 CFR 55; 26 CFR 156; ...**Legal Deadline:** None

**Abstract:** This regulation will amend the section 6081 regulations to remove the signature requirement for Form

8809, Request for Extension of Time to File Information Returns. This will enable filers of information returns to request an extension of time to file using an online version of the Form 8809.

**Timetable:**

Action	Date	FR Cite
NPRM Final Action	06/11/03 12/00/04	68 FR 34875

**Regulatory Flexibility Analysis Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-107618-02

Drafting attorney: Charles A. Hall (202) 622-4940

Reviewing attorney: Judith Wall (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Charles A. Hall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BB29**2741. TREATMENT OF SERVICES UNDER SECTION 482****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 482**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These final regulations amend the rules for allocation of income and deductions with respect to services between members of a group of controlled entities, pursuant to section 482.

**Timetable:**

Action	Date	FR Cite
NPRM Final Action	09/10/03 06/00/05	68 FR 53448

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-146893-02

Drafting attorneys: Thomas A. Vidano (202) 435-5265 and Helen Hong-George (202) 435-5220

Reviewing attorneys: John M. Breen (202) 435-5265

Treasury attorney: David Ernack (202) 622-1754

CC:INTL

**Agency Contact:** Thomas A. Vidano, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5265

**RIN:** 1545-BB31**2742. INVESTMENT ADJUSTMENT RULES AND WAIVER OF LOSS CARRYOVERS FROM SRLY YEARS—AMENDED****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation will allow a group to revoke an election under regulations section 1.1502-32(b)(4), where such election has become unnecessary as a result of regulations section 1.1502-20T(i)(2).

**Timetable:**

Action	Date	FR Cite
NPRM Final Action	05/07/03 06/00/05	68 FR 24404

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-152524-02

Drafting attorney: Jeffrey B. Fienberg (202) 622-7700

Reviewing attorney: Alison G. Burns (202) 622-7550

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Jeffrey B. Fienberg, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**Related RIN:** Related to 1545-BB39**RIN:** 1545-BB38

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**2743. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 403**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** Under section 448(d)(5), as amended by the Job Creation and Worker Assistance Act of 2002, the nonaccrual experience method of accounting is available only for amounts to be received for the performance of qualified services (i.e., services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting) or for services provided by certain small businesses (i.e., those with gross receipts of \$5 million or less). The law provides that such taxpayers are not required to accrue, based on their experience, any portion of year-end receivables that will not be collected. Under the proposed regulations, taxpayers will be permitted to determine such amounts using alternative computations or formulas which, based on experience, accurately reflect the amount of income that will not be collected by such taxpayer. The proposed regulations will provide safe harbor methods (computations or formulas) of estimating such amounts that the taxpayers can rely on.

**Timetable:**

Action	Date	FR Cite
NPRM	11/21/03	68 FR 65645
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-141402-02

Drafting attorney: Terrance McWhorter (202) 622-4970

Reviewing attorney: Tom A. Luxner (202) 622-4970

CC:ITA

We issued interim guidance in the form of a Notice 2003-12, 2003-6 published in the IRB 422 on January 22, 2003, with a request for comments.

**Agency Contact:** Terrance McWhorter, General Tax Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-4970

**RIN:** 1545-BB43**2744. ELECTION OUT GENERATION-SKIPPING TRANSFER TAX (GST) DEEMED ALLOCATIONS****Priority:** Info./Admin./Other**Legal Authority:** 26 USC 2601; 26 USC 2632; 26 USC 2642**CFR Citation:** 26 CFR 601**Legal Deadline:** None

**Abstract:** Procedure for making the election to not have the deemed generation-skipping transfer tax allocation rules apply with respect to a GST Trust and for making the election to treat a trust as a GST Trust.

**Timetable:**

Action	Date	FR Cite
NPRM	07/13/04	69 FR 42000
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-153841-02

Drafting attorney: Mayer Samuels (202) 622-7265

Reviewing attorney: George Masnik (202) 622-3618

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Mayer Samuels, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024

Phone: 202 622-7265

**RIN:** 1545-BB54**2745. SPECIAL DEPRECIATION ALLOWANCE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance under sections 168 and 1400L(b) regarding special depreciations allowance.

**Timetable:**

Action	Date	FR Cite
NPRM	09/08/03	68 FR 53008
Final Action	02/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-157164-02

Drafting attorney: Douglas Kim (202) 622-3110

Reviewing attorney: Kathleen Reed (202) 622-3110

Treasury attorney: George Manuso (202) 622-1335

CC:PSI

**Agency Contact:** Douglas Kim, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3110

**Related RIN:** Related to 1545-BC19**RIN:** 1545-BB57**2746. INFORMATION REPORTING RELATING TO TAXABLE STOCK TRANSACTIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6043; 26 USC 6045**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations under sections 6043(c) and 6045 require information reporting for corporate acquisitions of control and changes in capital structure.

**Timetable:**

Action	Date	FR Cite
NPRM	11/18/02	67 FR 69496
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-143321-02

Drafting attorney: Nancy L. Rose (202) 622-4910

Reviewing attorney: Pamela W. Fuller (202) 622-4910

CC:PA:APJ

**Agency Contact:** Nancy L. Rose, Attorney-Advisor, Department of the

## TREAS—IRS

## Final Rule Stage

Treasury, Internal Revenue Service,  
1111 Constitution Avenue NW,  
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Phone: 202 622-4910

**Related RIN:** Related to 1545-BB40

**RIN:** 1545-BB60

#### 2747. USE OF GOVERNMENT DEPOSITARIES IN CONNECTION WITH TAX UNDER THE FEDERAL UNEMPLOYMENT TAX ACT

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6302

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** The regulations will raise the amount of accumulated Federal Unemployment Tax Act for taxes that a taxpayer may accumulate before being required to deposit.

**Timetable:**

Action	Date	FR Cite
NPRM	07/17/03	68 FR 42329
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-144908-02

Drafting attorney: Heather L. Dostaler (202) 622-8445

Reviewing attorney: Brinton T. Warren (202) 622-7134

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**Related RIN:** Related to 1545-BB67

**RIN:** 1545-BB66

#### 2748. USE OF GOVERNMENT DEPOSITARIES IN CONNECTION WITH TAX UNDER THE FEDERAL UNEMPLOYMENT TAX ACT (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6302

**CFR Citation:** 26 CFR 31

**Legal Deadline:** None

**Abstract:** The temporary regulations will raise the amount of accumulated Federal Unemployment Tax Act for taxes that a taxpayer may accumulate before required to deposit.

**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/04	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Additional Information:** REG-144908-02

Drafting attorney: Heather L. Dostaler (202) 622-8445

Reviewing attorney: Brinton T. Warren (202) 622-4940

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**Related RIN:** Related to 1545-BB66

**RIN:** 1545-BB67

#### 2749. QUALIFIED INTERESTS

**Priority:** Info./Admin./Other

**Legal Authority:** 26 USC 2702

**CFR Citation:** 26 CFR 25

**Legal Deadline:** None

**Abstract:** This regulation amends examples 5 and 6 of regulation section 25.2702-3(e) to comply with the Tax Court's holding in *Walton v. Commissioner*, 115 TC. 589 (2000).

**Timetable:**

Action	Date	FR Cite
NPRM	07/26/04	69 FR 44476
Final Action	12/00/04	

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-163679-02

Drafting attorney: Juli Ro Kim (202) 622-3090

Reviewing attorney: George Masnik (202) 622-3090

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Juli Ro Kim, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3090

**RIN:** 1545-BB72

#### 2750. COLLECTED EXCISE TAXES; DUTIES OF COLLECTOR

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 4291; 26 USC 6302; 26 USC 7805

**CFR Citation:** 26 CFR 40; 26 CFR 49

**Legal Deadline:** None

**Abstract:** These proposed regulations relate to the obligations of persons that receive payments for air transportation or communications service subject to excise tax when persons liable for taxes refuse to pay the tax.

**Timetable:**

Action	Date	FR Cite
NPRM	08/10/04	69 FR 48432
Final Action	03/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-163909-02

Drafting attorney: Taylor Cortright (202) 622-3130

Reviewing attorneys: Frank K. Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Taylor Cortright, Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024

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Phone: 202 622-3130

**Related RIN:** Related to 1545-BB76**RIN:** 1545-BB75**2751. GUIDANCE ON LIFE INSURANCE AND ANNUITY CONTRACTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 817**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation modifies the existing section under 26 U.S.C. 817(h) relating to guidance on life insurance and annuity contracts.**Timetable:**

Action	Date	FR Cite
NPRM	07/30/03	68 FR 44689
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-163974-02

Drafting attorney: James Polfer (202) 622-3970

Reviewing attorney: Donald Drees, Jr. (202) 622-3970

CC:FI

**Agency Contact:** James Polfer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3970**RIN:** 1545-BB77**2752. APPLICATION OF NONDISCRIMINATION CROSS-TESTING RULES TO CASH BALANCE PLANS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 411**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations will provide rules for the application of certain nondiscrimination requirements, prohibiting discrimination in favor of highly compensated employees, to cash balance pension plans.**Timetable:**

Action	Date	FR Cite
NPRM	12/11/02	67 FR 761213
Hearing	04/09/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None**Additional Information:** REG-164464-02

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Reviewing attorney: Marjorie Hoffman (202) 622-6090

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Linda Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8012**Related RIN:** Related to 1545-BA10**RIN:** 1545-BB79**2753. NOTIONAL PRINCIPAL CONTRACTS; CONTINGENT NONPERIODIC PAYMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 446**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None**Abstract:** These regulations relate to the character and the inclusion into income and deduction of contingent nonperiodic payments made pursuant to a notional principal contract.**Timetable:**

Action	Date	FR Cite
NPRM	02/26/04	69 FR 8886
NPRM Comment Period End	05/04/04	
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-166012-02

Drafting attorney: Kathleen Sleeth (202) 622-3920

Reviewing attorney: Elizabeth Handler (202) 622-3920

Treasury attorney: Viva Hammer (202) 622-0869

CC:FI

**Agency Contact:** Kathleen Sleeth, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3920**RIN:** 1545-BB82**2754. NEW MARKETS TAX CREDIT AMENDMENTS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 45D; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will amend regulations section 1.45D-1T involving the new markets tax credit under section 45D. The amendments will address certain issues involving qualified low-income community investments under section 45D(d)(1).**Timetable:**

Action	Date	FR Cite
NPRM	03/11/04	69 FR 11561
Public Hearing	06/02/04	
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Additional Information:** REG-115471-03

Drafting attorney: Paul F. Handleman (202) 622-3040

Reviewing attorney: Susan Reaman (202) 622-3040

Treasury attorney: Steve Watson (202) 622-1322

CC:PSI

**Agency Contact:** Paul F. Handleman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3040**Related RIN:** Related to 1545-BC02**RIN:** 1545-BC03

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**2755. TAX EXEMPT BOND PARTNERSHIP REPORTING REGULATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 6031; 26 USC 7805; 26 USC 706**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will provide the Internal Revenue Service with authority to issue guidance concerning the reporting requirements for tax exempt bond partnerships.**Timetable:**

Action	Date	FR Cite
NPRM	11/10/03	68 FR 63743
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-115472-03

Drafting attorney: David A. Shulman (202) 622-3080

Reviewing attorney: Jeanne Sullivan (202) 622-3080

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

**Agency Contact:** David A. Shulman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080**Related RIN:** Related to 1545-BC01**RIN:** 1545-BC04**2756. DETERMINATION OF BASIS OF OR SECURITIES RECEIVED IN EXCHANGE OR WITH RESPECT TO, A STOCK OR SECURITIES IN CERTAIN TRANSACTIONS****Priority:** Routine and Frequent**Legal Authority:** 26 USC 358; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** Amendment to section 1.358-2 of the income tax regulation. The proposed regulation adopts a tracing approach in determining the basis of stock and securities received in transactions under section 355, section

368, and certain transactions that qualify under both section 351 and section 368.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-116564-03

Drafting attorney: Theresa M. Kolish (202) 622-7530 or Emidio J. Forlini, Jr. (202) 622-7930

Reviewing attorney: Reginald Mombrun (202) 622-7277

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Theresa M. Kolish, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530Emidio J. Forlini Jr., Attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7930**RIN:** 1545-BC05**2757. ENTRY OF TAXABLE FUEL****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations will provide rules for payment of tax when taxable fuel is entered by an unregistered person.**Timetable:**

Action	Date	FR Cite
Final Action	03/00/05	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-120616-03

Drafting attorney: Celia Gabrysh (202) 622-3130

Reviewing attorneys: Frank Boland (202) 622-3130 and Phillip Howard (202) 622-3000

Treasury attorney: John Parcell (202) 622-2578

CC:PSI

**Agency Contact:** Celia A. Gabrysh, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3130**RIN:** 1545-BC08**2758. NOTARIZATION REQUIREMENT FOR STATEMENTS OF PURCHASE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1042(a)(1); 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations would modify the requirement that statements of purchase of qualified replacement property be notarized within 30 days of purchase.**Timetable:**

Action	Date	FR Cite
NPRM	07/10/03	68 FR 41087
Comment Period End	10/08/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-121122-03

Drafting attorney: John T. Ricotta (202) 622-6060

Reviewing attorney: Robert Patchell (202) 622-6060

CC:TEGE

**Agency Contact:** John T. Ricotta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060**RIN:** 1545-BC11**2759. TIMING AND MODIFICATION OF THE SECTION 59(E) ELECTION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 59**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation will provide guidance on making a section 59(e) election.

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**Timetable:**

Action	Date	FR Cite
NPRM	07/21/04	69 FR 43367
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-124405-03

Drafting attorney: Eric B. Lee (202) 622-3120

Reviewing attorney: Joe Makurath (202) 622-3120

Treasury attorney: George Manousos (202) 622-1788

CC:PSI

**Agency Contact:** Eric B. Lee, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3120

**RIN:** 1545-BC13**2760. GUIDANCE NECESSARY TO FACILITATE BUSINESS ELECTRONIC FILING****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None

**Abstract:** The regulatory amendments are designed to facilitate electronic filing of certain income tax returns and other forms.

**Timetable:**

Action	Date	FR Cite
NPRM	12/19/03	68 FR 70747
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Federal**Additional Information:** REG-116664-01

Drafting attorney: Nathan B. Rosen (202) 622-4910

Reviewing attorney: Pamela Fuller (202) 622-4910

Treasury attorney: John Parcell (202) 622-2578

CC:PA:APJ

**Agency Contact:** Nathan B. Rosen, Attorney-Advisor, Department of the

Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4910

**RIN:** 1545-BC15**2761. CONTINGENT AT CLOSING ESCROWS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 468**CFR Citation:** 26 CFR 1; 26 CFR 602**Legal Deadline:** None

**Abstract:** The regulations will provide rules for taxing the income of a contingent at closing escrow. A contingent at closing escrow is, generally, established in connection with the sale or exchange of real or personal property to hold assets that will be distributable to the purchaser or seller based on the post-closing resolution of bona fide contingencies. The rules will require the purchaser or seller to take into account all items of income and deduction for Federal income tax purposes.

**Timetable:**

Action	Date	FR Cite
NPRM	02/01/99	64 FR 4801
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-103422-03

Drafting attorney: Richard Shevak (202) 622-8142

Reviewing attorney: Jeff Mitchell (202) 622-7934

Treasury attorney: Deborah Harrington (202) 622-1788

CC:ITA:7

**Agency Contact:** Richard Shevak, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8142

**Related RIN:** Related to 1545-AR82**RIN:** 1545-BC16**2762. CHANGES IN COMPUTING DEPRECIATION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This regulation provides guidance under section 446(e) regarding changes in computing depreciation or amortization.

**Timetable:**

Action	Date	FR Cite
NPRM	01/02/04	69 FR 42
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Additional Information:** REG-126459-03

Drafting attorney: Sara L. Logan (202) 622-3110

Reviewing attorney: Kathleen Reed (202) 622-3110

Treasury attorney: George Manousos (202) 622-1335

CC:PSI

**Agency Contact:** Sara L. Logan, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3110

**Related RIN:** Related to 1545-BC17**RIN:** 1545-BC18**2763. VALUE OF LIFE INSURANCE WHEN DISTRIBUTED FROM A QUALIFIED RETIREMENT PLAN****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These proposed regulations under section 402(a) of the Internal Revenue Code concern the amount includible in a distributee's income when certain life insurance and annuity contracts are distributed by a qualified retirement plan.

**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

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**Additional Information:** REG-126967-03

Drafting attorney: Pamela Kinard (202) 622-6060

Reviewing attorney: Linda Marshall (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

CC:TEGE

**Agency Contact:** Pamela R. Kinard, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BC20

**2764. SPECIAL CONSOLIDATED RETURN RULES FOR INTEREST EXPENSE DISALLOWED UNDER SECTION 265(A)(2)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 1502; 26 USC 7701

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will address the treatment of interest income with respect to an intercompany loan when the source of funds is borrowing from a nonmember and there is a disallowance of interest expense under section 265(a)(2).

**Timetable:**

Action	Date	FR Cite
NPRM	05/07/04	69 FR 25535
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-128590-03

Drafting attorney: Frances L. Kelly (202) 622-7072

Reviewing attorney: Michael Wilder (202) 622-3393

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Frances L. Kelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**RIN:** 1545-BC23

**2765. SECTION 411(D)(6) PROTECTED BENEFITS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 4980

**CFR Citation:** 26 CFR 1; 26 CFR 54

**Legal Deadline:** None

**Abstract:** These regulations will provide guidance relating to section 411(d)(6) of the Code regarding the elimination or reduction of certain early retirement benefits, retirement-type subsidies, and optional forms of benefit (section 411(d)(6)(B) protected benefits), and will address both: 1) when these benefits result in significant burdens and complexities for plans and its participants; and 2) when such benefits are of de minimis value to participants.

**Timetable:**

Action	Date	FR Cite
NPRM	06/24/04	69 FR 13769
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-128309-03

Drafting attorney: Pamela R. Kinard (202) 622-6060

Reviewing attorney: Linda S. Marshall (202) 622-6090

Treasury attorney: William Bortz

CC:TEGE

**Agency Contact:** Pamela R. Kinard, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BC26

**2766. SINGLE DETERMINATION OF TAX FOR MULTIPLE POOLS OF ASSETS OF AN S CORPORATION**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 1374(e)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation will address the determination of tax with respect to various pools of assets of an S corporation that is subject to tax under section 1374.

**Timetable:**

Action	Date	FR Cite
NPRM	06/25/04	69 FR 35544
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Additional Information:** REG-131486-03

Drafting attorney: Jennifer Sledge (202) 622-7750

Reviewing attorney: Mark Jennings (202) 622-7750

Treasury attorney: Audrey Nacamuli (202) 622-1721

CC:COR

**Agency Contact:** Jennifer D. Sledge, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7750

**RIN:** 1545-BC29

**2767. DEEMED CORPORATE ELECTION FOR ELECTING S CORPORATIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7701; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will deem an S corporation that makes a timely S Corporation election to have also made a timely election to be an association taxed as a corporation under section 301.7701-3(1)(i) to ease the administrative burden on taxpayers and IRS Service Centers. It will continue implementation of section 7701 under the secretary's general section 7805 regulatory authority.

**Timetable:**

Action	Date	FR Cite
NPRM	07/20/04	69 FR 43369
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:**

Undetermined

**Additional Information:** REG-131786-03

Drafting attorney: Rebekah A. Myers (202) 622-3050



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## Final Rule Stage

Reviewing attorney: Dianna Miosi (202) 622-3050

Treasury attorney: Deborah Harrington (202) 622-1788

CC:PSI

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Phone: 202 622-3050

**Related RIN:** Related to 1545-BD24

**RIN:** 1545-BC32

### 2768. PROHIBITED ALLOCATION OF SECURITIES IN AN S CORPORATION

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.

**Legal Authority:** 26 USC 7805; 26 USC 409(p)(7)(A)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will provide guidance for employee stock ownership plans holding stock of a subchapter S corporation concerning the prohibition against allocations to disqualified persons under section 409(p).

**Timetable:**

Action	Date	FR Cite
NPRM	07/21/03	68 FR 43058
Comment Period End	10/20/03	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-129709-03

Drafting attorney: John T. Ricotta (202) 622-6060

Reviewing attorney: Marjorie Hoffman (202) 622-6060

CC:TEGE

**Agency Contact:** John T. Ricotta, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**Related RIN:** Related to 1545-BC33

**RIN:** 1545-BC34

### 2769. ELIMINATION OF FORMS OF DISTRIBUTION IN DEFINED CONTRIBUTION PLANS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 411(d)(b)(E)

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will amend the section 411(d)(b) regulations to conform to the amendments made by EGTRRA, in accordance with section 411(d)(b)(E), relating to the elimination of forms of distribution in defined contribution plans.

**Timetable:**

Action	Date	FR Cite
NPRM	07/08/03	68 FR 40581
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-112039-03

Drafting attorney: Vernon S. Carter (202) 622-6060

Treasury attorney: William Bortz (202) 622-1352

CC:TEGE

**Agency Contact:** Vernon S. Carter, Tax Law Specialist, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BC35

### 2770. GUIDANCE UNDER SECTION 1502; APPLICATION OF SECTION 108 TO MEMBERS OF A CONSOLIDATED GROUP

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 1502

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations under section 1502 of the Internal Revenue Code provide guidance concerning the application of certain provisions of section 108 to members of a consolidated group.

**Timetable:**

Action	Date	FR Cite
NPRM	09/04/03	68 FR 52542
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-132760-03

Drafting attorney: Amber R. Cook (202) 622-7530

Reviewing attorney: Marie Milnes-Vasquez (202) 622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP:4

**Agency Contact:** Amber R. Cook, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**Related RIN:** Related to 1545-BC39

**RIN:** 1545-BC38

### 2771. SUBSTITUTE FOR RETURN (SFR) AND AUTOMATED SUBSTITUTE FOR RETURN (ASFR) (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 6020

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The temporary regulation serves to be the Service's expression of intent that certain documents generated in the substitute for return (SFR) and Automated Substitute for Return (ASFR) process constitute section 6020(b) returns for purposes of assessing the section 6651(a)(2) addition to tax.

**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** Undetermined

**Additional Information:** REG-131739-03

Drafting attorney: Tracey B. Leibowitz (202) 622-4940

Reviewing attorney: Ashton Trice (202) 622-4940

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:APJ

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**Agency Contact:** Tracey B. Leibowitz, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**Related RIN:** Related to 1545-BC45

**RIN:** 1545-BC46

### 2772. GUIDANCE ON PFIC PURGING ELECTIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These final regulations will provide guidance to taxpayers on making timely deemed sale and deemed dividend elections under sections 1298(b)(1) and 1291.

**Timetable:**

Action	Date	FR Cite
NPRM	08/24/04	69 FR 51967
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-120657-04

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Alexandra K. Helou, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BC49

### 2773. QUALIFIED SEVERANCE REGULATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 2642(a)(3)(C)

**CFR Citation:** 26 CFR 26

**Legal Deadline:** None

**Abstract:** This regulation relates to generation-skipping transfer tax

consequences of a qualified severance of a trust.

**Timetable:**

Action	Date	FR Cite
NPRM	08/24/04	69 FR 51967
Final Action	06/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-145987-03

Drafting attorney: Mayer R. Samuels (202) 622-7265

Reviewing attorney: George Masnik (202) 622-3618

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Mayer R. Samuels, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7265

**RIN:** 1545-BC50

### 2774. SUSPENSION OF RUNNING OF PERIOD OF LIMITATION DURING A PROCEEDING TO ENFORCE OR QUASH A DESIGNATED OR RELATED SUMMONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 25 USC 6503

**CFR Citation:** 26 CFR 1; 26 CFR 301

**Legal Deadline:** None

**Abstract:** These regulations relate to the use of designated and related summonses and the effect on the period of limitations on assessment when a case is brought with respect to a designated or related summons.

**Timetable:**

Action	Date	FR Cite
NPRM	07/31/03	68 FR 44905
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-208199-91

Drafting attorney: Elizabeth D. Rawlins (202) 622-3600

Reviewing attorney: Robert A. Miller (202) 622-3600

Treasury attorney: Julian Kim (202) 622-1981

CC:PA:GBS

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Phone: 202 622-3600

**RIN:** 1545-BC55

### 2775. GUARANTEE FEES UNDER SECTION 143(G)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 143

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulation will allow issues of qualified mortgage revenue bonds under section 143 to exclude certain fees paid to guarantee pools of mortgages (including mortgage backed securities) from the calculation of the effective interest rate on the mortgages for purposes of section 143(g).

**Timetable:**

Action	Date	FR Cite
NPRM	11/05/03	68 FR 62549
Final Action	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Local, State

**Additional Information:** REG-146692-03

Drafting attorney: Michael P. Brewer (202) 622-3980

Reviewing attorney: Timothy L. Jones (202) 622-3980

CC:TEGE

**Agency Contact:** Michael P. Brewer, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3980

**RIN:** 1545-BC59

### 2776. PREDECEASED PARENT RULE

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 2651

**CFR Citation:** 26 CFR 26

**Legal Deadline:** None

**Abstract:** The proposed regulation will provide guidance on the predeceased

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parent rule in section 2651(e) and amend the regulations under section 26.2612-1(a)(2).

**Timetable:**

Action	Date	FR Cite
NPRM	09/03/04	69 FR 53863
Public Hearing	12/14/04	69 FR 53863
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-145988-03

Drafting attorney: Lian A. Mito (202) 622-3719

Reviewing attorney: James F. Hogan (202) 622-3012

Treasury attorney: Catherine Hughes (202) 622-9407

CC:PSI

**Agency Contact:** Lian A. Mito, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7830

**RIN:** 1545-BC60

**2777. QUALIFIED ZONE ACADEMY BONDS; OBLIGATIONS OF STATES AND POLITICAL SUBDIVISIONS**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The regulations will provide for permissible use of proceeds and will coordinate and make consistent provisions regarding determination of credit rate and maturity date. It will provide for remedial action in case of change in use of bond proceeds.

**Timetable:**

Action	Date	FR Cite
NPRM	03/26/04	69 FR 15747
Public Hearing	07/21/04	
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Governmental Jurisdictions

**Government Levels Affected:** Local, State

**Additional Information:** REG-121475-03

Drafting attorney: Zoran Stojanovic (202) 622-4096

Reviewing attorney: Timothy L. Jones (202) 622-3701

Treasury attorney: Stephen Watson (202) 622-1322

CC:TEGE

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**Related RIN:** Related to 1545-BC68

**RIN:** 1545-BC61

**2778. SECTION 1045 APPLICATION TO PARTNERSHIPS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance on how the capital gains rollover provision of section 1045 applies to partnerships.

**Timetable:**

Action	Date	FR Cite
NPRM	08/12/04	69 FR 49957
Final Action	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Additional Information:** REG-150562-03

Drafting attorney: Charlotte Chyr (202) 622-3070 and Jian Grant (202) 622-3050

Reviewing attorneys: James Quinn (202) 622-3070 and Mary Beth Collins (202) 622-3070

Treasury attorney: Deborah Harrington (202) 622-1788

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Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024  
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**RIN:** 1545-BC67

**2779. SECTION 179 ELECTIONS**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 202

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will provide guidance for making and revoking elections under section 179, effective for 2003.

**Timetable:**

Action	Date	FR Cite
NPRM	08/04/04	69 FR 47043
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:**

Undetermined

**Additional Information:** REG-152549-03

Drafting attorney: Winston H. Douglas (202) 622-3110

Reviewing attorney: Charles B. Ramsey (202) 622-3110

Treasury attorney: George Manousos (202) 622-1335

CC:PSI

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Phone: 202 622-3110

**RIN:** 1545-BC69

**2780. REAL ESTATE MORTGAGE INVESTMENT CONDUIT (REMIC) TETRA RULES**

**Priority:** Info./Admin./Other

**Legal Authority:** 26 USC 860F

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** The proposed regulation relates to the application of partnership audit procedures to disputes regarding the ownership of residual interests in a REMIC.

**Timetable:**

Action	Date	FR Cite
NPRM	08/10/04	69 FR 48431
Final Action	12/00/04	

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**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-154077-03

Drafting attorney: Arturo Estrada (202) 622-3900

Reviewing attorney: Dale Collinson (202) 622-3900

Treasury attorney: Viva Hammer (202) 622-0869

CC:FI

**Agency Contact:** Arturo Estrada, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3900

**RIN:** 1545-BC71**2781. GUIDANCE UNDER SECTION 1502; APPLICATION OF SECTION 108 TO MEMBERS OF A CONSOLIDATED GROUP****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** These regulations amend REG-132760-03 published in the Federal Register on September 4, 2003 (68 FR 52542), and TD 9089 also published in the Federal Register on September 4, 2003 (68 FR 52487). Those regulations provided guidance concerning the application of section 108 to members of a consolidated group.

**Timetable:**

Action	Date	FR Cite
NPRM	12/11/03	68 FR 69062
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-153319-03

Drafting attorney: Amber R. Cook (202)622-7530

Reviewing attorney: Marie Milnes-Vasquez (202)622-7530

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP:4

**Agency Contact:** Amber R. Cook, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7530

**Related RIN:** Related to 1545-BC38, Related to 1545-BC39**RIN:** 1545-BC74**2782. STUDENT FICA GUIDANCE****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 312(b)(10); 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations defining "school, college, or university" for purposes of section 312(b)(10). The regulations defining "student" for purposes of section 312(b)(10).

**Timetable:**

Action	Date	FR Cite
NPRM	02/25/04	69 FR 8604
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-156421-03

Drafting attorney: John B. Richards (202) 622-6040

Treasury attorney: Kevin Knopf (202) 622-2329

CC:TEGE

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**RIN:** 1545-BC81**2783. EXCLUSION OF EMPLOYEES OF 501(C)(3) ORGANIZATION IN 401(K) AND 401(M) PLANS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** This action amends the Income Tax Regulations (26 CFR part 1) under section 410(b) of the Internal Revenue Code of 1986 (Code). The

proposed amendments would allow a section 401(k) plan or a section 401(m) plan that is provided under the same general arrangement as the section 401(k) plan to treat employees of an organization described in section 501(c)(3), which is exempt from tax under section 501(a), who are eligible to make salary reduction contributions to a tax-sheltered annuity pursuant to section 403(b) (a section 403(b) annuity) as excludable employees for the purpose of testing whether such plans meet the minimum coverage requirements specified in section 410(b). Congress ordered a modification of the current rule in the Economic Growth and Tax Relief Reconciliation Act of 2001 (Pub. L. 107-16, 115 Stat. 38).

**Timetable:**

Action	Date	FR Cite
NPRM	03/16/04	69 FR 12291
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-149752-03

Drafting attorney: Lisa Mojiri-Azad (202) 622-6060

Treasury attorney: W. Thomas Reeder (202) 622-1341

CC:TEGE

**Agency Contact:** Lisa Mojiri-Azad, Assistant Branch Chief, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6060

**RIN:** 1545-BC87**2784. GUIDANCE UNDER SECTION 1502; APPLICATION OF SECTION 108 TO MEMBERS OF A CONSOLIDATED GROUP; COMPUTATION OF TAXABLE INCOME WHEN SECTION 108 APPLIES TO A MEMBER OF A CONSOLIDATED GROUP****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None

**Abstract:** The regulations provide guidance to prevent circular bases computations resulting from the application of sections 108(b) and 1.1502-28T, and guidance regarding recapture under section 1245 following

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application of the look-through rules of section 1017(d) and section 1.1502-28T.

**Timetable:**

Action	Date	FR Cite
NPRM	03/15/04	69 FR 12091
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-167265-03

Drafting attorney: Candace B. Ewell  
(202) 622-7530

Reviewing attorney: Marie Milnes-  
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Treasury attorney: Audrey Nacamuli  
(202) 622-5721

CC:COR

**Agency Contact:** Candace B. Ewell,  
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Phone: 202 622-7530

**Related RIN:** Related to 1545-BC96

**RIN:** 1545-BC95

**2785. SOLID WASTE DISPOSAL FACILITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 142

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation will modify the definition of solid waste disposal facility for purposes of section 142(a)(6) of the Internal Revenue Code.

**Timetable:**

Action	Date	FR Cite
NPRM	05/10/04	69 FR 25856
Final Action	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Local,  
State

**Additional Information:** REG-140492-02

Drafting attorney: Michael P. Brewer  
(202) 622-3980

Reviewing attorney: Timothy Jones  
(202) 622-3980

CC:TEGE

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**RIN:** 1545-BD04

**2786. TREATMENT OF FOREIGN STAPLED CORPORATION (TEMPORARY)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805; 26 USC 269B

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This project will provide regulatory guidance to implement Notice 2003-50.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	06/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:**  
Undetermined

**Federalism:** Undetermined

**Additional Information:** REG-101282-04

Drafting attorney: Richard L. Osborne  
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Reviewing attorney: Robert W. Lorence  
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Treasury attorney: Michael Cabellero  
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**Related RIN:** Related to 1545-BD05

**RIN:** 1545-BD06

**2787. DEEMED IRAS IN GOVERNMENTAL PLANS/QUALIFIED NONBANK TRUSTEE RULES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 408

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Under IRS section 408(q), a qualified employer plan (plans

described in sections 401(a) of the Code, 403(a), 403(b), and governmental plans under section 457(b)) may permit employees to make voluntary employee contributions to a "deemed IRA," i.e., separate account or annuity established under the plan. Generally, these accounts or annuities are treated as IRAs pursuant to IRC section 408.

Proposed regulations providing guidance with respect to section 408(q) were published in the Federal Register on May 20, 2003, and the final regulations are expected to be published on or before March 31, 2004. Deemed IRAs must satisfy the requirements of section 408(a) except for the commingling requirements of section 408(a)(5). Consistent with this general rule, section 1.408(q)-1(f)(1) of the proposed regulations provides that the trustee or custodian of an individual retirement account must be a bank or an entity that received approval from the Commissioner to serve as a nonbank trustee, pursuant to section 1.408-2(e) of the regulations. IRC section 1.408-2(e)(1) provides that an entity must demonstrate by written application that the requirements of paragraph (e)(2) to (e)(6) of that regulation will be met in order to qualify as a nonbank trustee. The new regulation will provide that governmental entities need not demonstrate that all of these requirements will be met with respect to any deemed IRAs maintained by that governmental entity. The new regulation will provide that a governmental entity must demonstrate in writing to the satisfaction of the Commissioner that the entity will administer the trust in a manner that is consistent with the requirements of section 408.

**Timetable:**

Action	Date	FR Cite
NPRM	07/22/04	69 FR 43786
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-101447-04

Drafting attorney: Linda L. Conway  
(202) 622-3051

Reviewing attorney: Janet A. Laufer  
(202) 622-6090

Treasury attorney: W. Thomas Reeder  
(202) 622-1341

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CC:TEGE

**Agency Contact:** Linda L. Conway, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-6090

RIN: 1545-BD07

### 2788. PUBLIC INSPECTION OF WRITTEN DETERMINATIONS UNDER SECTION 6110 OF THE INTERNAL REVENUE CODE (TEMPORARY)

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 301

Legal Deadline: None

**Abstract:** This temporary regulation replaces and updates the existing regulation to include procedures for the public availability of Chief Counsel Advice. It also reflects changes to the organizational structure of the Internal Revenue Service and Office of Chief Counsel, changes to the Code, and technological advances related to the electronic availability of Internal Revenue Service documents to the public.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	03/00/05	

**Regulatory Flexibility Analysis Required:** No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-113129-98

Drafting attorney: Deborah C. Lambert-Dean (202) 622-4570

Reviewing attorney: Donald Squires (202) 622-4570

Treasury attorney: Eric San Juan (202) 622-0224

CC:PA:DPL

**Agency Contact:** Deborah C. Lambert-Dean, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4570  
Fax: 202 622-4520

Related RIN: Related to 1545-AX40

RIN: 1545-BD09

### 2789. CURRENT LIABILITY INTEREST RATE UNDER SECTION 412(B)(5) (TEMPORARY)

Priority: Substantive, Nonsignificant

Legal Authority: 26 USC 7805; 26 USC 412(b)(5)

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** This temporary regulation will provide rules regarding the current liability interest rate under section 412(b)(5).

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis Required:** No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-105966-04

Drafting attorney: Linda S.F. Marshall (202) 622-6090

Treasury attorney: Harlan Weller (202) 622-1001

CC:TEGE

**Agency Contact:** Linda Marshall, Senior Counsel, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-8012

Related RIN: Related to 1545-BD13

RIN: 1545-BD14

### 2790. TIME AND MANNER OF MAKING SECTION 163 (D)(4)(B) ELECTION TO TREAT QUALIFIED DIVIDEND INCOME AS INVESTMENT INCOME

Priority: Info./Admin./Other

Legal Authority: 26 USC 163 (d)(4)(B)

CFR Citation: 26 CFR 1

Legal Deadline: None

**Abstract:** These regulations provide guidance regarding time and manner for making the election under IRC section 163(d)(4)(B) to treat qualified dividend income as investment income.

**Timetable:**

Action	Date	FR Cite
NPRM	08/05/04	69 FR 47395
Final Action	02/00/05	

**Regulatory Flexibility Analysis Required:** No

Small Entities Affected: No

Government Levels Affected: None

Additional Information: REG-171386-03

Drafting attorney: Amy J. Pfalzgraf (202) 622-4950

Reviewing attorney: Christopher F. Kane (202) 622-4950

CC:ITA

**Agency Contact:** Amy J. Pfalzgraf, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4950

RIN: 1545-BD16

### 2791. COORDINATION OF UNITED STATES AND CERTAIN POSSESSIONS INCOME TAXES (TEMPORARY)

Priority: Substantive, Nonsignificant

Unfunded Mandates: Undetermined

Legal Authority: 26 USC 7805

CFR Citation: 26 CFR 1; 26 CFR 301

Legal Deadline: None

**Abstract:** The regulations for section 7654 (1954 Code) will revise existing regulations for clarification and the regulations for section 7654 (1986) will be new. Internal Revenue Code (IRC) section 7654 contains the provisions for cover-over to the U.S. Possessions. Old section 7654 (1954 Code) continues to be applicable to Guam and the Commonwealth of the Northern Mariana Islands (CNMI) because these two possessions do not have an effective implementing agreement with the United States as required by the Tax Reform Act of 1986. Regulations are necessary for consistent and correct application of section 7654. For example, cover-over for (Armed Forces) residents of the possessions stationed outside the possessions are not specifically addressed in the 1954 Code, and neither is cover-over for Federal employees residing in U.S. Possessions. Temporary Regulations are needed to carry out the provisions of section 7654 and sections 931, 932, and 935.

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/04	

**Regulatory Flexibility Analysis Required:** No

## TREAS—IRS

## Final Rule Stage

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-139900-03

Drafting attorney: Mae J. Lew (202) 435-5262

Reviewing attorney: Ricardo A. Cadenas (202) 435-5262

Treasury attorney: Carl Dubert (202) 622-1765

CC:INTL

**Agency Contact:** Mae J. Lew, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 435-5262

**Related RIN:** Related to 1545-BC54

**RIN:** 1545-BD32

#### 2792. GUIDANCE ON PFIC PURGING ELECTIONS (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These temporary regulations will provide guidance regarding retroactive relief for taxpayers who, in limited circumstances, continue to be subject to the PFIC excess distribution regime of section 1291 although the foreign corporation in which they own stock is no longer treated as a PFIC under section 1298(b)(1) or section 1297(e).

#### Timetable:

Action	Date	FR Cite
Temporary Regulation	12/00/04	

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-133446-03

Drafting attorney: Alexandra K. Helou (202) 622-3840

Reviewing attorney: Valerie A. Mark Lippe (202) 622-3840

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Alexandra K. Helou, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, 1111

Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-3840

**Related RIN:** Related to 1545-BC37

**RIN:** 1545-BD33

#### 2793. LIFO RECAPTURE UNDER SECTION 1363(D)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These proposed regulations provide guidance on a C corporation that, owning LIFO inventory through a partnership, converts to an S corporation or transfers its partnership interest to an S corporation.

#### Timetable:

Action	Date	FR Cite
NPRM	08/13/04	69 FR 50109
Final Action	03/00/05	

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-149524-03

Drafting attorney: Pietro Canestrelli (202) 622-3060

Reviewing attorney: David Hagland (202) 622-3050

Treasury attorneys: Deborah Harrington (202) 622-1788 and Stephanie Robinson (202)

622-9858

CC:PSI

**Agency Contact:** Pietro E. Canestrelli, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3060

**Related RIN:** Related to 1545-BC66

**RIN:** 1545-BD34

#### 2794. CLARIFICATION OF DEFINITIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** These regulations will address the treatment of corporate continuances under section 7701.

#### Timetable:

Action	Date	FR Cite
NPRM	08/12/04	69 FR 49840
Public Hearing	11/03/04	69 FR 49840
Final Action	12/00/05	

#### Regulatory Flexibility Analysis

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-124872-04

Drafting attorney: Thomas D. Beem (202) 622-3860

Reviewing attorney: Charles P. Besecky (202) 622-3860

Treasury attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Thomas D. Beem, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860

**Related RIN:** Related to 1545-BD43

**RIN:** 1545-BD37

#### 2795. UNDERPAYMENT FOR QUALIFIED AMENDED RETURNS (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** Not Yet Determined

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These temporary regulations will revise the definition of "qualified amended return" in accordance with Notice 2004-38.

#### Timetable:

Action	Date	FR Cite
Temporary Regulations	12/00/04	

#### Regulatory Flexibility Analysis

**Required:** Undetermined

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Federalism:** Undetermined

**Additional Information:** REG-122847-04

Drafting attorney: Nancy M. Galib (202) 622-7022

Reviewing attorney: Ashton P. Trice (202) 622-4940

## TREAS—IRS

## Final Rule Stage

Treasury attorneys: Julian Kim and Jonathan Ackerman (202) 622-1981

CC:PA:AP J

**Agency Contact:** Nancy M. Galib, attorney, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20024  
Phone: 202 622-7022

**Related RIN:** Related to 1545-BD40

**RIN:** 1545-BD42

### 2796. • ALLOCATION AND APPORTIONMENT OF DEDUCTIONS FOR CHARITABLE CONTRIBUTIONS (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1; 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations will provide final guidance relating to the allocation and apportionment of deductions for charitable contributions, including where the deductions are provided by an income tax treaty rather than by sections 170, 873(b)(2), and 882(c)(1)(B).

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	07/28/04	69 FR 44930
NPRM	07/28/04	69 FR 44988
Final Action	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-129040-04

Drafting attorney: Teresa B. Hughes (202) 622-3850

Reviewing attorney: Anne O. Devereaux (202) 622-3850

Treasury attorney: John Harrington (202) 622-0589

CC:INTL

**Agency Contact:** Teresa B. Hughes, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850

**Related RIN:** Related to 1545-AP30

**RIN:** 1545-BD47

### 2797. • TREATMENT OF DISREGARDED ENTITIES UNDER SECTION 752

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 752; 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** Provide rules under section 752 for taking into account the net value of a disregarded entity owned by a partner or related person for purposes of allocating partnership liabilities.

**Timetable:**

Action	Date	FR Cite
NPRM	08/12/04	69 FR 49832
Final Action	02/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-128767-04

Drafting attorney: Michael J. Goldman (202) 622-3080

Reviewing attorney: Jeanne Sullivan (202) 622-3050

Treasury: Stephanie Robinson (202) 622-9848

CC:PSI

**Agency Contact:** Michael Goldman, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3080

**RIN:** 1545-BD48

### 2798. • SECTION 951 PRO RATA RULES

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** These regulations provide rules for determining a United States shareholder's pro rata share of subpart F income of a controlled foreign corporation.

**Timetable:**

Action	Date	FR Cite
NPRM	08/05/04	69 FR 47822
Final Action	08/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-129771-04

Drafting Attorney: Jonathan A. Sambur (202) 622-3840

Reviewing Attorney: Phyllis E. Marcus (202) 622-3840

Treasury Attorney: Carl Dubert (202) 622-0222

CC:INTL

**Agency Contact:** Jonathan A. Sambur, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3840

**RIN:** 1545-BD49

### 2799. • CONTINUITY OF INTEREST/STOCK FLUCTUATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 26 USC 7805

**CFR Citation:** 26 CFR 1

**Legal Deadline:** None

**Abstract:** This regulation relates to the circumstances in which continuity of interest is measured using a transaction's signing date.

**Timetable:**

Action	Date	FR Cite
NPRM	08/10/04	69 FR 48429
Final Action	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Additional Information:** REG-129706-04

Drafting attorney: Christopher M. Bass (202) 622-7770

Reviewing attorney: Jeffrey B. Fienberg (202) 622-7770

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:CORP:B2

**Agency Contact:** Christopher M. Bass, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770

**RIN:** 1545-BD53



## TREAS—IRS

## Final Rule Stage

**2800. • MANUFACTURER INCENTIVE PAYMENTS IN AN INTERCOMPANY TRANSACTION****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This project clarifies how the intercompany transaction regulations treat manufacturer incentive payments to other members of the group.**Timetable:**

Action	Date	FR Cite
NPRM	08/13/04	69 FR 50112
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-131264-04

Drafting attorney: Frances Kelly (202) 622-7770

Reviewing attorney: Gerald B. Fleming (202) 622-7770

Treasury attorney: Audrey Nacamuli (202) 622-5721

CC:COR

**Agency Contact:** Frances L. Kelly, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7770**RIN:** 1545-BD55**2801. • SOURCE OF COMPENSATION FOR LABOR OR PERSONAL SERVICES****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 861**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation will describe the appropriate basis for determining the source of income from labor or personal services performed partly within and partly without the United States.**Timetable:**

Action	Date	FR Cite
NPRM	08/06/04	69 FR 47816
Final Action	06/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Additional Information:** REG-136481-04

Drafting attorney: David F. Bergkuist (202) 622-3850

Reviewing attorney: Richard Chewning (202) 622-3850

Treasury attorney: John Harrington (202) 622-0589

CC:INTL

**Agency Contact:** David F. Bergkuist, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3850**RIN:** 1545-BD62**2802. • REMOVAL OF SECTION 6661 REGULATIONS****Priority:** Info./Admin./Other**Legal Authority:** 26 USC 7805; PL 101-239, sec 7721**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation removes 26 CFR section 1.661-1 through 1.661-6 pertaining to 26 U.S.C. section 6661, which was repealed for tax returns due after December 31, 1989.**Timetable:**

Action	Date	FR Cite
Final Action	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-144890-04

Drafting attorney: Audra M. Dineen (202) 622-4940

CC:APJP:B02

**Agency Contact:** Audra M. Dineen, Attorney-Advisor, Department of the Treasury, Internal Revenue Service,1111 Constitution Avenue NW, Washington, DC 20024  
Phone: 202 622-4940**RIN:** 1545-BD75**2803. • SPECIAL RULES TO REDUCE SECTION 1446 WITHHOLDING (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1446**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulations provide guidance for partnerships obligated to pay withholding tax under section 1446 of the Internal Revenue Code. Specifically, the proposed and temporary regulations address the circumstances under which a partnership may reduce its withholding tax due based upon certifications of losses by foreign partners or when the partnership is in bankruptcy. The temporary regulations will be effective for partnership taxable years beginning after the date the regulations are published in the Federal Register.**Timetable:**

Action	Date	FR Cite
Temporary Regulation	03/00/05	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Additional Information:** REG-108524-00

Drafting attorney: Ronald M. Gootzeit (202) 622-3860

Reviewing attorney: Michael H. Frankel (202) 622-3860

Treasury attorney: David Sotos (202) 622-0851

CC:INTL

**Agency Contact:** Ronald M. Gootzeit, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-3860**Related RIN:** Related to 1545-AY28**RIN:** 1545-BD80

**Department of the Treasury (TREAS)**  
**Internal Revenue Service (IRS)**
**Long-Term Actions**
**2804. INCOME TAX—TAXPAYER'S OBLIGATION TO FILE A NOTICE OF REDETERMINATION OF FOREIGN TAX AND CIVIL PENALTIES FOR FAILURE TO FILE**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1; 26 CFR 301; 26 CFR 602

**Timetable:**

Action	Date	FR Cite
NPRM	06/23/88	53 FR 23659

Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Margaret A. Hogan  
Phone: 202 622-3850

**RIN:** 1545-AC09

**2805. INCOME TAX—DEFINITION OF QUALIFIED POSSESSION SOURCE INVESTMENT INCOME FOR PURPOSES OF PUERTO RICO AND POSSESSION TAX CREDIT**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	01/21/86	51 FR 2726

Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** W. Edward Williams  
Phone: 202 622-3830

**RIN:** 1545-AC10

**2806. FSC TRANSFER PRICING RULES, DISTRIBUTIONS, DIVIDENDS RECEIVED, DEDUCTION, AND OTHER SPECIAL RULES FOR FSC**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	03/03/87	52 FR 6467

NPRM Comment  
Period End  
Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Christopher J. Bello  
Phone: 202 435-5160

**RIN:** 1545-AI16

**2807. INFORMATION FROM PASSPORT AND IMMIGRATION APPLICANTS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 301

**Timetable:**

Action	Date	FR Cite
NPRM	12/24/92	57 FR 61373

Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Willard W. Yates  
Phone: 202 622-3880

Fax: 202 622-4476

**RIN:** 1545-AJ93

**2808. INCOME OF FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	06/27/88	53 FR 24100

NPRM Comment  
Period End  
Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** David A. Juster  
Phone: 202 622-3850

**RIN:** 1545-AL93

**2809. CLARIFICATION OF TREATMENT OF SEPARATE LIMITATION LOSSES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Richard L. Chewning  
Phone: 202 622-3850

**RIN:** 1545-AM11

**2810. EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	01/25/90	55 FR 2535

Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Margaret A. Hogan  
Phone: 202 622-3850

**RIN:** 1545-AM90

**2811. CARIBBEAN BASIN INVESTMENTS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	05/13/91	56 FR 21963

Hearing  
07/12/91 56 FR 21963  
Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Government Levels Affected:** None

**Agency Contact:** W. Edward Williams  
Phone: 202 622-3830

**RIN:** 1545-AM91

**2812. CONSOLIDATED ALTERNATIVE MINIMUM TAX**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	12/30/92	57 FR 62251

NPRM Comment  
Period End  
03/01/93

Hearing  
04/06/93

Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** Undetermined

## TREAS—IRS

## Long-Term Actions

**Government Levels Affected:** None**Agency Contact:** Martin Scully  
Phone: 202 622-8066**RIN:** 1545-AN73**2813. CONFORMING TAXABLE YEARS OF CFCS AND FPHCS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	01/05/93	58 FR 290

Next Action Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Carl M. Cooper  
Phone: 202 622-3840**RIN:** 1545-AO22**2814. EARNINGS STRIPPING PAYMENTS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	06/18/91	56 FR 27907
Hearing	09/25/91	
Final Action	12/00/05	

Next Action Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Theodore D. Setzer  
Phone: 202 622-3870**RIN:** 1545-AO24**2815. FRINGE BENEFIT SOURCING UNDER SECTION 861****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	01/21/00	65 FR 3402
Public Hearing	07/18/00	
Second NPRM	08/06/04	69 FR 47816

Next Action Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** David F. Bergkuist  
Phone: 202 622-3850**RIN:** 1545-AO72**2816. GUIDANCE IN NOTICE 89-37, WHICH TREATS THE RECEIPT OF A CORPORATE PARTNER'S STOCK BY THE CORPORATE PARTNER AS A CIRCUMVENTION OF GENERAL UTILITIES REPEAL****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/15/92	57 FR 59324

NPRM Comment 01/20/93

Period End

NPRM 12/00/05

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Tara P. Volungis  
Phone: 202 927-3080**RIN:** 1545-AP52**2817. USE OF GAAP EARNINGS AS E&P OF FOREIGN CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	07/01/92	57 FR 29246

Next Action Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Margaret A. Hogan  
Phone: 202 622-3850**RIN:** 1545-AQ55**2818. THE TREATMENT OF ACCELERATED DEATH BENEFITS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/15/92	57 FR 59319

NPRM Comment 02/26/93

Period End

Action	Date	FR Cite
Hearing	03/19/93	

Next Action Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Ann H. Logan  
Phone: 202 622-3970**RIN:** 1545-AQ70**2819. ALLOCATION OF ACCRUED BENEFITS BETWEEN EMPLOYER AND EMPLOYEE CONTRIBUTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/22/95	60 FR 66532

NPRM Comment 03/21/96

Period End

Next Action Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Cathy A. Vohs  
Phone: 202 622-6090**RIN:** 1545-AT82**2820. FOREIGN CORPORATIONS REGULATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	03/08/96	61 FR 9377

Next Action Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Gregory A. Spring  
Phone: 202 622-3870**RIN:** 1545-AT96**2821. APPLICATION OF GRANTOR TRUST RULES TO NONEXEMPT EMPLOYEES' TRUST****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1

## TREAS—IRS

## Long-Term Actions

**Timetable:**

Action	Date	FR Cite
NPRM	09/27/96	61 FR 50778
NPRM Comment Period End	12/26/96	
Hearing	01/15/97	
Next Action	Undetermined	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** M. Grace Fleeman  
Phone: 202 622-3880Linda Marshall  
Phone: 202 622-8012James A. Quinn  
Phone: 202 622-3070**RIN:** 1545-AU29**2822. RECOMPUTATION OF LIFE  
INSURANCE RESERVES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	01/02/97	62 FR 71
Final Action	12/00/05	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Mark S. Smith  
Phone: 202 622-3970

Fax: 2026226275

**RIN:** 1545-AU49**2823. SOURCE RULES FOR  
PAYMENTS MADE PURSUANT TO  
CERTAIN SWAP ARRANGEMENTS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Theodore D. Setzer  
Phone: 202 622-3870**RIN:** 1545-AU89**2824. FINANCIAL ASSET  
SECURITIZATION INVESTMENT  
TRUST (FASIT) START-UP;  
OPERATIONAL AND TRANSITIONAL  
RULES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301; 26 CFR 1**Timetable:**

Action	Date	FR Cite
ANPRM	11/04/96	61 FR 56648
ANPRM Comment Period End	12/31/96	
NPRM	02/07/00	65 FR 5807
Next Action	Undetermined	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** John W. Rogers, III  
Phone: 202 622-3950**RIN:** 1545-AU94**2825. SUBSTANTIATING TRAVEL  
EXPENSE DEDUCTIONS FOR  
MEMBERS OF CONGRESS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1; 26 CFR 5**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Edwin B. Cleverdon  
Phone: 202 622-7900**RIN:** 1545-AV55**2826. STOCKS AND SECURITIES  
SAFE HARBOR EXCEPTION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	06/12/98	63 FR 32164
Hearing	09/09/98	
NPRM Comment Period End	09/10/98	
Final Action	12/00/05	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Theodore D. Setzer  
Phone: 202 622-3870**RIN:** 1545-AW13**2827. TRANSPORTATION OF  
PERSONS AND PROPERTY BY AIR****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Taylor Cortright  
Phone: 202 622-3130**RIN:** 1545-AW19**2828. SOURCE OF INCOME FROM  
CERTAIN SPACE AND OCEAN  
ACTIVITIES AND FOR  
COMMUNICATIONS INCOME****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	01/17/01	66 FR 3903
Hearing	05/23/01	66 FR 12916
Next Action	Undetermined	

**Regulatory Flexibility Analysis  
Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Edward R. Barret  
Phone: 202 622-3880**RIN:** 1545-AW50**2829. CONSTRUCTIVE SALES OF  
APPRECIATED FINANCIAL POSITIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis  
Required:** Undetermined**Small Entities Affected:** Businesses,  
Organizations**Government Levels Affected:** None**Agency Contact:** Kathleen Sleeth

## TREAS—IRS

## Long-Term Actions

Phone: 202 622-3920

RIN: 1545-AW97

**2830. DEFINITION OF ACCOUNTING METHOD****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Grant D. Anderson  
Phone: 202 622-4930

RIN: 1545-AX21

**2831. DOLLAR-VALUE LIFO****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Scott H. Rabinowitz  
Phone: 202 622-4970

RIN: 1545-AY39

**2832. SPECIAL RULES FOR S CORPORATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301; 26 CFR 601**Timetable:**

Action	Date	FR Cite
NPRM	04/27/92	57 FR 15272
NPRM Comment Period End	06/26/92	
Next Action	Undetermined	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** David A. Juster  
Phone: 202 622-3850**Related RIN:** Split from 1545-AP35,  
Related to 1545-AS88

RIN: 1545-AY44

**2833. NORMAL RETIREMENT AGE FOR PENSION PLANS****Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/06	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** Janet A. Laufer  
Phone: 202 622-6090

RIN: 1545-AY61

**2834. PAYMENTS FOR INTEREST IN PARTNERSHIP****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** James M. Gergurich  
Phone: 202 622-3070

RIN: 1545-AY90

**2835. MERGERS INVOLVING DISREGARDED ENTITIES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	11/15/01	66 FR 57400
Second NPRM	01/24/03	68 FR 3477
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Richard M. Heinecke  
Phone: 202 622-7930**Related RIN:** Related to 1545-BB46

RIN: 1545-BA06

**2836. CONSOLIDATED RETURNS; NONAPPLICABILITY OF SECTION 357(C)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	11/14/01	66 FR 57021
Public Hearing	03/21/02	
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Thomas I. Russell  
Phone: 202 622-7550

RIN: 1545-BA09

**2837. NONCOMPENSATORY PARTNERSHIP OPTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	01/22/03	68 FR 2930
Public Hearing	05/20/03	
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined**Agency Contact:** Demetri G. Yatrakis  
Phone: 202 622-3060Audrey W. Ellis  
Phone: 202 622-3060

RIN: 1545-BA53

**2838. EARNINGS AND PROFITS ATTRIBUTION PRINCIPLES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined**Agency Contact:** Mark R. Pollard  
Phone: 202 622-3850

RIN: 1545-BA93

## TREAS—IRS

## Long-Term Actions

**2839. INVESTIGATIVE DISCLOSURES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Timetable:**

Action	Date	FR Cite
NPRM	07/10/03	68 FR 41089
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Federal**Agency Contact:** Helene R. Newsome  
Phone: 202 622-4570**Related RIN:** Related to 1545-BB17**RIN:** 1545-BB16**2840. MIXED USE OUTPUT FACILITIES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
ANPRM	09/23/02	67 FR 59767
Next Action	Undetermined	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** Local, State**Federalism:** Undetermined**Agency Contact:** Rose M. Weber  
Phone: 202 622-3980**RIN:** 1545-BB23**2841. ACCRUAL RULES FOR CREDITABLE FOREIGN TAXES AND GUIDANCE ON CHANGE IN TAXABLE YEAR****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis****Required:** Undetermined**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Margaret A. Hogan  
Phone: 202 622-3850**RIN:** 1545-BB27**2842. AMENDMENT TO SECTION 6724 RELATING TO FAILURE TO FILE CORRECT INFORMATION RETURNS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	07/09/03	68 FR 40857
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** William M. Kostak  
Phone: 202 622-4910**RIN:** 1545-BB41**2843. INSTALLMENT OBLIGATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	11/24/03	68 FR 65864
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Agency Contact:** Christopher L. Trump  
Phone: 202 622-3080**RIN:** 1545-BB65**2844. CORPORATE REORGANIZATIONS: CONTINUITY TRANSFERS OF ASSETS OR STOCK FOLLOWING A REORGANIZATION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	03/02/04	69 FR 9771
Final Action	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Rebecca O. Burch  
Phone: 202 622-7550**Related RIN:** Related to 1545-BB81**RIN:** 1545-BB80**2845. SUBSTITUTE FOR RETURN (SFR) AND AUTOMATED SUBSTITUTE FOR RETURN (ASFR)****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**CFR Citation:** 26 CFR 301**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** Undetermined**Agency Contact:** Tracey B. Leibowitz  
Phone: 202 622-4940**Related RIN:** Related to 1545-BC46**RIN:** 1545-BC45**2846. PARTNERSHIPS AND DEEMED DISPOSITIONS OF UNREALIZED RECEIVABLES AND INVENTORY ITEMS****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**CFR Citation:** 26 CFR 1**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined**Agency Contact:** Charlotte Chyr  
Phone: 202 622-3070**RIN:** 1545-BC65**2847. REGULATIONS GOVERNING THE PERFORMANCE OF ACTUARIAL SERVICES UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974****Priority:** Substantive, Nonsignificant**CFR Citation:** 20 CFR 901**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

## TREAS—IRS

## Long-Term Actions

**Agency Contact:** Michael J. Roach  
Phone: 202 622-6090  
**RIN:** 1545-BC82

**2848. TREATMENT OF FOREIGN STAPLED CORPORATION**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1  
**Timetable:**

Action	Date	FR Cite
NPRM	09/07/04	69 FR 54067

Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Robert W. Lorence  
Phone: 202 622-3860

**Related RIN:** Related to 1545-BD06

**RIN:** 1545-BD05

**2849. STOCK HELD BY FOREIGN INSURANCE COMPANIES**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	06/25/04	69 FR 35543

Next Action Undetermined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Sheila Ramaswamy  
Phone: 202 622-3870

**RIN:** 1545-BD27

**2850. BRIEF ASSET HOLDING PERIOD (TEMPORARY)**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
Temporary Regulation	12/00/05	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Tara P. Volungis

Phone: 202 927-3080  
**RIN:** 1545-BD38

**2851. BRIEF ASSET HOLDING PERIOD**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Tara P. Volungis  
Phone: 202 927-3080

**RIN:** 1545-BD39

**2852. TRANSFERS OF RESTRICTED STOCK**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Stephen B. Tackney  
Phone: 202 622-6030

**Related RIN:** Related to 1545-BD45

**RIN:** 1545-BD44

**2853. TRANSFERS OF RESTRICTED STOCK (TEMPORARY)**

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
Temporary Regulations	12/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Stephen B. Tackney  
Phone: 202 622-6030

**Related RIN:** Related to 1545-BD44

**RIN:** 1545-BD45

**2854. ASSET TRANSFERS FOLLOWING PUTATIVE REORGANIZATIONS**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Timetable:**

Action	Date	FR Cite
NPRM	08/18/04	69 FR 51209
Final Action	12/00/05	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Jeffrey B. Fienberg  
Phone: 202 622-7770

**RIN:** 1545-BD56

**2855. • GUIDANCE UNDER SECTION 6501(C)(1) REGULATIONS**

**Priority:** Substantive, Nonsignificant

**Unfunded Mandates:** Undetermined

**Legal Authority:** 26 USC 7805; 26 USC 6501

**CFR Citation:** 26 CFR 301

**Legal Deadline:** None

**Abstract:** The regulations will provide guidance with respect to the statute of limitations on assessment being held open indefinitely if someone that is affiliated with their return (e.g., preparer, appraiser, accountant, etc.) commits fraud.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/05	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Additional Information:** REG-144905-04

Drafting attorney: Heather L. Dostaler  
(202) 622-4940

CC: APJ

**Agency Contact:** Heather L. Dostaler, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-4940

**RIN:** 1545-BD73

**Department of the Treasury (TREAS)**  
**Internal Revenue Service (IRS)**
**Completed Actions****2856. CHARITABLE CONTRIBUTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Second NPRM	07/28/04	69 FR 44988
Final Action Completed by TD 9143	07/28/04	69 FR 44930

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Teresa B. Hughes  
Phone: 202 622-3850**Related RIN:** Related to 1545-BD47**RIN:** 1545-AP30**2857. FOREIGN TAX CREDIT  
ANTI-ABUSE REGULATION****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Closed Without Regulations	04/27/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Bethany Ingwalson  
Phone: 202 622-3850**RIN:** 1545-AV97**2858. INTEREST ON EDUCATION  
LOANS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9125	05/07/04	69 FR 25489

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Sean Dwyer  
Phone: 202 622-5020**RIN:** 1545-AW01**2859. CONTINGENT DEBT  
INSTRUMENT****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9157	08/30/04	69 FR 52816

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Milton M. Cahn  
Phone: 202 622-3870**RIN:** 1545-AW33**2860. DELAY RENTAL PAYMENTS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Withdrawn	09/20/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Brenda M. Stewart  
Phone: 202 622-3120**RIN:** 1545-AX06**2861. APPLICATION OF SEPARATE  
FOREIGN TAX CREDIT LIMITATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9141	07/20/04	69 FR 43304

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Bethany Ingwalson  
Phone: 202 622-3850**RIN:** 1545-AX88**2862. PROCUREMENT/PURCHASING  
CARD REPORTING****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9136	07/13/04	69 FR 41938

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Donna J. Welch  
Phone: 202 622-4910**Related RIN:** Related to 1545-BB88**RIN:** 1545-BA17**2863. APPLICATION OF THE  
FEDERAL INSURANCE  
CONTRIBUTIONS ACT, FEDERAL  
UNEMPLOYMENT TAX ACT, AND  
COLLECTION OF INCOME TAX AT  
SOURCE TO STATUTORY STOCK  
OPTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 31**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9144	08/03/04	69 FR 46401

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Stephen B. Tackney  
Phone: 202 622-6030**RIN:** 1545-BA26**2864. REQUIRED DISTRIBUTIONS  
FROM RETIREMENT PLANS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9130	06/15/04	69 FR 33288

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Cathy A. Vohs  
Phone: 202 622-6090**Related RIN:** Related to 1545-AY69,  
Related to 1545-AY70**RIN:** 1545-BA60



## TREAS—IRS

## Completed Actions

**2865. INTEREST OTHER THAN THAT OF A CREDITOR****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9124	05/03/04	69 FR 24078

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Tara P. Volungis  
Phone: 202 927-3080**RIN:** 1545-BA69**2866. STATUTORY OPTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9144	08/03/04	69 FR 46401

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Erinn M. Madden  
Phone: 202 622-6030**RIN:** 1545-BA75**2867. DISCLOSURE OF RELATIVE VALUE OF DISTRIBUTION FORMS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9099	12/17/03	68 FR 70141

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses,  
Organizations**Government Levels Affected:** None**Agency Contact:** John T. Ricotta  
Phone: 202 622-6060**RIN:** 1545-BA78**2868. PARTNERSHIP TRANSACTIONS INVOLVING LONG-TERM CONTRACTS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9137	09/03/04	69 FR 53804

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Richard T. Probst  
Phone: 202 622-3060**RIN:** 1545-BA81**2869. TRANSFER OF NOTES OR STOCK TO PROVIDE FOR SATISFACTION OF CONTESTED LIABILITIES****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9140	07/20/04	69 FR 43302

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Norma C. Rotunno  
Phone: 202 622-7900**Related RIN:** Related to 1545-BA91**RIN:** 1545-BA90**2870. PLACE FOR FILING****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9156	09/16/04	69 FR 55743

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** Emly B. Berndt  
Phone: 202 622-4940**Related RIN:** Related to 1545-BB45**RIN:** 1545-BB00**2871. REDUCED EXCLUSION OF GAIN FROM SALE OR EXCHANGE OF PRINCIPAL RESIDENCE****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9152	08/16/04	69 FR 50302

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Sara P. Shepherd  
Phone: 202 622-4960**Related RIN:** Related to 1545-BB02**RIN:** 1545-BB01**2872. CHANGE IN USE; ACCELERATED COST RECOVERY SYSTEM****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9132	06/17/04	69 FR 33840

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Sara L. Logan  
Phone: 202 622-3110**RIN:** 1545-BB05**2873. CAPITAL ACCOUNT BOOKUP****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9126	05/06/04	69 FR 25315

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Laura C. Nash  
Phone: 202 622-3050**RIN:** 1545-BB10

## TREAS—IRS

## Completed Actions

**2874. EXCISE TAX RELATING TO STRUCTURED SETTLEMENT FACTORING TRANSACTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1; 26 CFR 602**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9134	07/08/04	69 FR 41192

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Shareen S. Pflanz  
Phone: 202 622-4920**Related RIN:** Related to 1545-BB24**RIN:** 1545-BB14**2875. ADVANCE RENTALS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9135	07/08/04	69 FR 41192

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Edwin B. Cleverdon  
Phone: 202 622-7900**RIN:** 1545-BB44**2876. ADMINISTRATIVE SIMPLIFICATION OF 481(A) ADJUSTMENT PERIODS IN VARIOUS REGULATIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9131	06/16/04	69 FR 33571

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Christian T. Wood  
Phone: 202 622-4930**RIN:** 1545-BB47**2877. DEEMED IRAS IN QUALIFIED RETIREMENT PLANS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9142	07/22/04	69 FR 43735

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Linda L. Conway  
Phone: 202 622-6090**RIN:** 1545-BB58**2878. DEEMED IRAS IN QUALIFIED RETIREMENT PLANS (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9142	07/22/04	69 FR 43735

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Linda L. Conway  
Phone: 202 622-6090**RIN:** 1545-BB59**2879. SAFE HARBOR LEASING SECOND INTEREST CAPITALIZATION (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9129	05/20/04	69 FR 29066

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Grant D. Anderson  
Phone: 202 622-4930**Related RIN:** Related to 1545-BB62**RIN:** 1545-BB63**2880. AVAILABILITY OF SECTION 338(H)(10) ELECTION IN MULTISTEP TRANSACTIONS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9071	07/09/03	68 FR 40766

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Daniel F. Heins  
Phone: 202 622-7930

Mary E. Goode

Phone: 202 622-7930

**Related RIN:** Related to 1545-BB78**RIN:** 1545-BB68**2881. COLLECTED EXCISE TAXES; DUTIES OF COLLECTOR (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 40; 26 CFR 49**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9149	08/10/04	69 FR 48393

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Taylor Cortright  
Phone: 202 622-3130**Related RIN:** Related to 1545-BB75**RIN:** 1545-BB76**2882. REDUCTION OF TAX ATTRIBUTES DUE TO DISCHARGE OF INDEBTEDNESS INCOME****Priority:** Routine and Frequent**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9127	05/11/04	69 FR 26038

**Regulatory Flexibility Analysis****Required:** No

## TREAS—IRS

## Completed Actions

**Small Entities Affected:** No  
**Government Levels Affected:** None  
**Agency Contact:** Theresa M. Kolish  
 Phone: 202 622-7530  
**Related RIN:** Related to 1545-BC47  
**RIN:** 1545-BB98

### 2883. TRANSFERS OF NONSTATUTORY STOCK OPTIONS TO RELATED PERSONS

**Priority:** Substantive, Nonsignificant  
**CFR Citation:** 26 CFR 1  
**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9148	08/10/04	69 FR 48392

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Stephen B. Tackney  
 Phone: 202 622-6030

**RIN:** 1545-BC06

### 2884. PRESERVATION OF STOCK BASIS

**Priority:** Substantive, Nonsignificant.  
 Major status under 5 USC 801 is undetermined.

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9122	04/26/04	69 FR 22399

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Ross E. Poulsen  
 Phone: 202 622-7770

**RIN:** 1545-BC28

### 2885. DEPRECIATION OF VANS AND LIGHT TRUCKS

**Priority:** Substantive, Nonsignificant.

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9133	06/25/04	69 FR 35513

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Bernard P. Harvey  
 Phone: 202 622-3110

**RIN:** 1545-BC36

### 2886. REMEDIAL ACTIONS FOR TAX EXEMPT BONDS

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9150	08/13/04	69 FR 50065

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Gary W. Bornholdt  
 Phone: 202 622-7870

**RIN:** 1545-BC40

### 2887. LIFO RECAPTURE UNDER SECTION 1362(D)

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Withdrawn	09/20/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Pietro E. Canestrelli  
 Phone: 202 622-3060

**Related RIN:** Related to 1545-BD34

**RIN:** 1545-BC66

### 2888. NIMCRUT VALUATION REGULATIONS

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Withdrawn	08/10/04	

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Juli Ro Kim  
 Phone: 202 622-3090

**RIN:** 1545-BC85

### 2889. ELECTRONIC FILING OF DUPLICATE FORMS 5472

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Hearing	05/27/04	
Final Action Completed by TD 9161	09/15/04	69 FR 55499

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Edward R. Barret  
 Phone: 202 622-3880

**Related RIN:** Related to 1545-BD02

**RIN:** 1545-BD03

### 2890. DEEMED IRAS IN GOVERNMENTAL PLANS/QUALIFIED NONBANK TRUSTEE RULES (TEMPORARY)

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 26 CFR 1

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9142	07/22/04	69 FR 43735

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Linda L. Conway  
 Phone: 202 622-6090

**Related RIN:** Related to 1545-BD07

**RIN:** 1545-BD08

### 2891. TRANSITIONAL RULE FOR VESTED ACCRUED VACATION PAY (TEMPORARY)

**Priority:** Info./Admin./Other

**CFR Citation:** 26 CFR 1

## TREAS—IRS

## Completed Actions

**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9138	07/16/04	69 FR 42559

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Jamie J. Kim  
Phone: 202 622-4950  
Fax: 2026224579**RIN:** 1545-BD12**2892. DEEMED CORPORATE ELECTION FOR ELECTING S CORPORATIONS (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9139	07/20/04	69 FR 43317

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** Undetermined**Agency Contact:** Rebekah A. Myers  
Phone: 202 622-3050**Related RIN:** Related to 1545-BC32**RIN:** 1545-BD24**2893. SECTION 1031 TRANSITION TO NAICS****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9151	08/13/04	69 FR 50108

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** J. Peter Baumgarten  
Phone: 202 622-4950**RIN:** 1545-BD25**2894. SECTION 1031 TRANSITION TO NAICS (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9151	08/13/04	69 FR 50067

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** J. Peter Baumgarten  
Phone: 202 622-4950**Related RIN:** Related to 1545-BD25**RIN:** 1545-BD26**2895. ENTRY OF TAXABLE FUEL (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9145	07/30/04	69 FR 45587

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Celia A. Gabrysh  
Phone: 202 622-3130**Related RIN:** Related to 1545-BC08**RIN:** 1545-BD29**2896. TIME AND MANNER OF MAKING SECTION 163(D)(4)(B) ELECTION TO TREAT QUALIFIED DIVIDEND INCOME AS INVESTMENT INCOME****Priority:** Info./Admin./Other**CFR Citation:** 26 CFR 1**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9147	08/05/04	69 FR 47364

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Amy J. Pfalzgraf

Phone: 202 622-4950

**Related RIN:** Related to 1545-BD16**RIN:** 1545-BD30**2897. CLARIFICATION OF DEFINITIONS (TEMPORARY)****Priority:** Substantive, Nonsignificant**CFR Citation:** 26 CFR 301**Completed:**

Reason	Date	FR Cite
Final Action Completed by TD 9153	08/12/04	69 FR 49804

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Thomas D. Beem  
Phone: 202 622-3860**Related RIN:** Related to 1545-BD37**RIN:** 1545-BD43**2898. • GUIDANCE UNDER SECTION 1502; WAIVER OF LOSS CARRYOVER FROM SEPARATE RETURN LIMITATION YEARS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** This regulation affords relief from the deemed waiver rule of section 1.1502-32T(s)(4) by making the application of the deemed waiver rule elective.**Timetable:**

Action	Date	FR Cite
Final Action Completed by TD 9155	08/18/04	69 FR 51175

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-129274-04Drafting attorney: Sean C. Mckeever  
(202) 622-8167

CC:COR

**Agency Contact:** Sean C. Mckeever,  
Attorney, Department of the Treasury,  
Internal Revenue Service, 1111  
Constitution Avenue NW, Washington,  
DC 20224

## TREAS—IRS

## Completed Actions

Phone: 202 622-8167

**Related RIN:** Related to 1545-BD57**RIN:** 1545-BD58**2899. • TREATMENT OF CERTAIN SETTLEMENT FUNDS AS PERTAINING TO PURCHASE PRICE ALLOCATIONS IN DEEMED AND ACTUAL ASSET ACQUISITIONS (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 7805; 26 USC 337; 26 USC 338; 26 USC 1502**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** These regulations provide for elective special treatment of certain legally-mandated settlement funds in the allocation of purchase price in deemed and actual asset acquisitions under sections 338 and 1060.**Timetable:**

Action	Date	FR Cite
Final Action Completed by TD 9158	09/16/04	69 FR 55740

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Additional Information:** REG-169135-03

Drafting attorney: Richard C. Starke (202) 622-7492

Reviewing attorney: Ken Cohen (202) 622-7790

Treasury attorney: Audrey Nacamuli (202) 622-7790

CC:COR

**Agency Contact:** Richard C. Starke, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224

Phone: 202 622-7790

**RIN:** 1545-BD59**2900. • EXTENTION OF TIME TO ELECT METHOD FOR DETERMINING ALLOWABLE LOSS****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 337(d); 26 USC 1502; 26 USC 7805**CFR Citation:** 26 CFR 1**Legal Deadline:** None**Abstract:** The regulation will amend 26 CFR 1.1502-20T(i) to provide a new deadline for choosing to apply one of the three loss disallowance rules described there. The new deadline will apply even if a taxpayer had previously made an irrevocable election under 26 CFR 1.1502-20T(i).**Timetable:**

Action	Date	FR Cite
NPRM	08/26/04	69 FR 52462
Withdrawn – No Further Action Anticipated	10/20/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-135898-04

Drafting attorney: Martin T. Huck (202) 622-7750

Reviewing attorney: Theresa Abell (202) 622-7700

CC:COR

**Agency Contact:** Martin T. Huck, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7750**Related RIN:** Related to 1545-BD64**RIN:** 1545-BD63**2901. • EXTENTION OF TIME TO ELECT METHOD FOR DETERMINING ALLOWABLE LOSS (TEMPORARY)****Priority:** Substantive, Nonsignificant**Legal Authority:** 26 USC 337 (d); 26 USC 1502; 26 USC 7805**CFR Citation:** 26 CFR 1502**Legal Deadline:** None**Abstract:** The regulation will amend 26 CFR 1.1502-20T(i) to provide a new deadline for choosing to apply one of the three loss disallowance rules described there. The new deadline will apply even if a taxpayer had previously made an irrevocable election under 26 CFR 1.1502-20T(i).**Timetable:**

Action	Date	FR Cite
Final Action Completed by TD 9154	08/26/04	69 FR 52419

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Additional Information:** REG-135898-04

Drafting attorney: Martin T. Huck (202) 622-7750

Reviewing attorney: Theresa Abell (202) 622-7700

CC:COR

**Agency Contact:** Martin T. Huck, Attorney-Advisor, Department of the Treasury, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224  
Phone: 202 622-7750**Related RIN:** Related to 1545-BD63**RIN:** 1545-BD64

BILLING CODE 4830-01-S

**Department of the Treasury (TREAS)  
Office of Thrift Supervision (OTS)****Proposed Rule Stage****2902. RISK-BASED CAPITAL GUIDELINES; IMPLEMENTATION OF NEW BASEL CAPITAL ACCORD****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Unfunded Mandates:** Undetermined**Legal Authority:** 12 USC 1462; 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1828 (note)**CFR Citation:** 12 CFR 567**Legal Deadline:** None**Abstract:** In 2003, the Office of the Comptroller of the Currency, the Board

of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision (collectively, the "Federal Banking Agencies") set forth for industry comment their views (at that time) on a proposed framework for implementing the New Basel Capital

## TREAS—OTS

## Proposed Rule Stage

Accord in the United States. In particular, this advance notice of proposed rulemaking (ANPRM) described significant elements of the Advanced Internal Ratings-Based approach for credit risk and the Advanced Measurement Approaches for operational risk (together, the advanced approaches). The ANPRM specified criteria that would be used to determine banking organizations that would be required to use the advanced approaches, subject to meeting certain qualifying criteria, supervisory standards, and disclosure requirements. Other banking organizations that would meet the criteria, standards, and requirements also would be eligible to use the advanced approaches. Under the advanced approaches, banking organizations would use internal estimates of certain risk components as key inputs in the determination of their regulatory capital requirements.

In the fourth quarter of 2004, the Federal Banking Agencies plan to begin a quantitative impact study to help determine the potential impact of implementing the capital framework set forth in the "International Convergence of Capital Measurement and Capital Standards: A Revised Framework", which updates and makes some significant revisions to the preliminary New Basel Capital Accord document from 2003, upon which the above ANPRM was based.

After review of the results of the quantitative impact study and after further review and full consideration of public comments received on the ANPRM, the Federal Banking Agencies would plan to draft a notice of proposed rulemaking (NPRM) for implementation of this capital framework.

**Timetable:**

Action	Date	FR Cite
ANPRM	08/04/03	68 FR 45900
ANPRM Comment Period End	11/03/03	
NPRM	05/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Michael D. Solomon, Senior Program Manager for Capital Policy, Supervision Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552

Phone: 202 906-5654

Karen Osterloh, Special Counsel, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6639

David Riley, Project Manager for Capital Policy, Supervision Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6669

**Related RIN:** Related to 1550-AB11**RIN:** 1550-AB56**2903. • SECURITIES-RELATED ACTIVITIES OF SAVINGS ASSOCIATIONS****Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 375b; 12 USC 1462; 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1468; 12 USC 1817; 12 USC 1820; 12 USC 1828; 12 USC 1831o; 12 USC 3806; 42 USC 4106; 44 USC 3501 et seq

**CFR Citation:** 12 CFR 506; 12 CFR 545; 12 CFR 559; 12 CFR 563

**Legal Deadline:** None

**Abstract:** OTS is proposing to reduce regulatory burden by updating and revising its rules on securities-related activities of savings associations. First, the proposed rule describes the existing authority of federal savings associations to engage in various securities broker, dealer, and underwriting activities under the Home Owners' Loan Act (HOLA). This description should reduce compliance burdens by making OTS positions regarding the permissibility of these activities readily available to all.

OTS is also updating the existing prohibition on the sale of debt and equity securities issued by a savings association or its affiliate at the offices of a savings association. This change will reduce burden on savings associations by adding new exceptions and by eliminating consumer protection rules that overlap, and in some cases conflict, with other agency guidance. Finally, the proposed rule would eliminate various obsolete OTS securities activity regulations.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/04	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** Undetermined**Federalism:** Undetermined

**Agency Contact:** Judi McCormick, Manager, Consumer Protection and Fiduciary Activities, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-5636

Karen Osterloh, Special Counsel, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6639

John P. Harootunian, Senior Counsel, Business Transactions Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6415

**RIN:** 1550-AB92**2904. • IDENTITY THEFT DETECTION, PREVENTION, AND MITIGATION PROGRAM FOR FINANCIAL INSTITUTIONS AND CREDITORS****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681m**CFR Citation:** Not Yet Determined**Legal Deadline:** None

**Abstract:** The banking agencies, NCUA, and FTC also plan to issue a proposed rule implementing section 114 of the FACT Act, which requires the agencies to develop guidelines for use in identifying patterns, practices, and specific forms of activity that indicate the possible existence of identity theft. The agencies are also required to issue regulations requiring each financial institution and creditor to establish reasonable policies and procedures to implement such guidelines. The regulations must contain a provision requiring a card issuer to notify the cardholder if the card issuer receives a notice of change of address for an existing account, and a short time later receives a request for an additional or replacement card.

## TREAS—OTS

## Proposed Rule Stage

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/04	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined

**Agency Contact:** Richard Bennett, Counsel (Banking and Finance), Regulations and Legislation Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7409

Glenn S. Gimble, Senior Project Manager, Thrift Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7158

**RIN:** 1550-AB94

## Department of the Treasury (TREAS)

## Final Rule Stage

## Office of Thrift Supervision (OTS)

**2905. PROPER DISPOSAL OF CONSUMER INFORMATION UNDER THE FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681s; 15 USC 1681w**CFR Citation:** 12 CFR 568; 12 CFR 570; 12 CFR 571**Legal Deadline:** Final, Statutory, December 4, 2004.

In accordance with section 216(a) of the Fair and Accurate Credit Transactions Act of 2003 (15 U.S.C. 1681w(a)(1)), the Federal banking agencies, NCUA, FTC, and SEC must each issue regulations requiring proper disposal of information derived from consumer reports, after consulting and coordinating with each other to promote consistency. The agencies must assure that the regs. are consistent with the Gramm-Leach-Bliley Act and other Federal law. Final regs. must be issued by December 4, 2004.

**Abstract:** The Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Reserve Board, and the Federal Deposit Insurance Corporation (the Agencies) requested comment on a proposal to implement section 216 of the Fair and Accurate Credit Transactions Act of 2003 by amending the Interagency Guidelines Establishing Standards for Safeguarding Customer Information.

The Agencies will issue a final rule, which will require each financial institution to develop, implement, and maintain appropriate measures to properly dispose of consumer information derived from consumer reports to address the risks associated with identity theft. Each institution will be required to implement these measures as part of its information security program.

**Timetable:**

Action	Date	FR Cite
NPRM	06/08/04	69 FR 31913
NPRM Comment Period End	07/23/04	
Final Rule	12/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None

**Agency Contact:** Richard Bennett, Counsel (Banking and Finance), Regulations and Legislation Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7409

Glenn S. Gimble, Senior Project Manager, Thrift Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7158

Lewis C. Angel, Senior Project Manager, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-5645

**RIN:** 1550-AB87**2906. FAIR CREDIT REPORTING MEDICAL INFORMATION REGULATIONS****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681b; 15 USC 1681s**CFR Citation:** 12 CFR 571**Legal Deadline:** Final, Statutory, June 4, 2004.

Creditors may not use a consumer's medical information to make credit determinations, except in accordance with the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). In accordance with section 411 of the

FACT Act (15 U.S.C. 1681b(g)(5)(A) and (g)(5)(B)), the Federal banking agencies and the NCUA must, after notice and comment, issue regulations on necessary and appropriate access by creditors to medical information. Final regulations must be issued by June 4, 2004.

**Abstract:** The Office of the Comptroller of the Currency, Federal Reserve Board, Federal Deposit Insurance Corporation, Office of Thrift Supervision, and National Credit Union Administration published for comment proposed regulations implementing section 411 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). The FACT Act substantially amends the Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681 et seq. Section 411(a) of the FACT Act adds a new section 604(g)(1) to the FCRA to prohibit creditors from obtaining or using medical information pertaining to a consumer in connection with any determination of the consumer's eligibility, or continued eligibility, for credit.

The Agencies received comments from approximately 40 entities (and individuals). Details of a final rule are being reconciled among the interagency members, as of September 2004.

In addition, section 411(b) of the FACT Act adds a new section 603(d)(3) to the FCRA to restrict the sharing of medical information and related lists or descriptions with affiliates.

**Timetable:**

Action	Date	FR Cite
NPRM	04/28/04	69 FR 23380
NPRM Comment Period End	05/28/04	
Final Rule	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses

## TREAS—OTS

## Final Rule Stage

**Government Levels Affected:**

Undetermined

**Agency Contact:** Cindy Baltierra, Program Analyst, Compliance Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6540

Richard Bennett, Counsel (Banking and Finance), Regulations and Legislation Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7409

**RIN:** 1550-AB88

### 2907. • FAIR CREDIT REPORTING AFFILIATE MARKETING REGULATIONS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1828; 12 USC 1831p-1; 12 USC 1881 to 1884; 15 USC 1681b; 15 USC 1681s; 15 USC 1681w; 15 USC 6801; 15 USC 6805(b)(1); PL 108-159, sec 214, 117 Stat 1952

**CFR Citation:** 12 CFR 571

**Legal Deadline:** Final, Statutory, September 4, 2004.

Section 214 of the FACT Act adds a new section 624 of the FCRA. This new provision gives consumers the right to restrict a person from using certain information about a consumer obtained from an affiliate to make solicitations to that consumer. That section also requires the Agencies, in consultation and coordination with each other, to issue regulations in final form implementing section 214 not later than 9 months after the date of enactment. These rules must become effective not later than.

**Abstract:** OCC, the Board, FDIC, OTS, and NCUA (Agencies) published for comment proposed regulations to implement the affiliate marketing provisions in section 214 of the Fair and Accurate Credit Transactions Act of 2003, which amends the Fair Credit Reporting Act. The proposed regulations generally prohibit a person from using information received from an affiliate to make a solicitation for

marketing purposes to a consumer, unless the consumer is given notice and an opportunity and simple method to opt out of the making of such solicitations.

The comment period closed in August 2004 and comments are currently under review at the various agencies.

**Timetable:**

Action	Date	FR Cite
NPRM	07/15/04	69 FR 42502
NPRM Comment Period End	08/16/04	
Final Rule	11/00/04	

### Regulatory Flexibility Analysis Required: Yes

**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** Cindy Baltierra, Program Analyst, Compliance Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6540

Richard Bennett, Counsel (Banking and Finance), Regulations and Legislation Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-7409

**Related RIN:** Related to 1550-AB33**RIN:** 1550-AB90

### 2908. • EGRPRA REGULATORY REVIEW—APPLICATION AND REPORTING REQUIREMENTS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 5 USC 552; 5 USC 559; 12 USC 375b; 12 USC 1462; 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1468; 12 USC 1817; 12 USC 1820; 12 USC 1828; 12 USC 1828 note; 12 USC 1831i; 12 USC 1831o; 12 USC 2810 et seq; 12 USC 2901 et seq; 12 USC 3806; 15 USC 1691; 31 USC 5318; 42 USC 1981; 42 USC 1982; 42 USC 3601 to 3619; 42 USC 4106; 44 USC 3501 et seq

**CFR Citation:** 12 CFR 506; 12 CFR 516; 12 CFR 528; 12 CFR 543; 12 CFR 544; 12 CFR 545; 12 CFR 552; 12 CFR 559; 12 CFR 563; 12 CFR 567; 12 CFR 574; 12 CFR 575

**Legal Deadline:** None

**Abstract:** As part of its review of regulations under section 2222 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (Pub. L. 104-208, September 30, 1996) (EGRPRA), OTS is reducing regulatory burden on savings associations by updating and revising various application and reporting requirements. Specifically, OTS is: (1) modifying the branch office and agency office application and notice requirements; (2) harmonizing publication and public comment procedures for various applications and notices; and (3) revising the meeting procedures. OTS is also eliminating various obsolete rules.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	01/00/05	

### Regulatory Flexibility Analysis Required: No

**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Josephine Battle, Program Analyst, Thrift Policy, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6870

Don Dwyer, Director, Applications, Examinations and Supervision Operations, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
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Karen Osterloh, Special Counsel, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6639

Gary Jeffers, Senior Counsel, Business Transactions Division, Department of the Treasury, Office of Thrift Supervision, 1700 G Street NW., Washington, DC 20552  
Phone: 202 906-6457

**RIN:** 1550-AB93



**Department of the Treasury (TREAS)**  
**Office of Thrift Supervision (OTS)**
**Long-Term Actions**
**2909. COMMUNITY REINVESTMENT ACT**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 563e

**Timetable:**

Action	Date	FR Cite
Joint ANPRM	07/19/01	66 FR 37602
Joint ANPRM Comment Period End	10/17/01	
NPRM	02/06/04	69 FR 5729
NPRM Comment Period End	04/06/04	
Final Rule	08/18/04	69 FR 51155
Final Rule Effective	10/01/04	
Second NPRM	To Be Determined	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Richard Bennett  
Phone: 202 906-7409

Theresa A. Stark  
Phone: 202 906-7054

Celeste Anderson  
Phone: 202 906-7990

**RIN:** 1550-AB48

**2910. • COMMUNITY REINVESTMENT ACT REGULATIONS (GEOGRAPHIES)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1462a; 12 USC 1463; 12 USC 1464; 12 USC 1467a; 12 USC 1814; 12 USC 1816; 12 USC 1828(c); 12 USC 2901 to 2907

**CFR Citation:** 12 CFR 563e

**Legal Deadline:** None

**Abstract:** OCC, the Board, FDIC, and OTS published a joint interim rule with request for comment to conform their respective regulations implementing the Community Reinvestment Act (CRA) to changes in: the Standards for Defining Metropolitan and Micropolitan Statistical Areas published by the U.S. Office of Management and Budget (OMB) in December 2000; census tracts designated by the U.S. Bureau of the Census (Census); and the Board's Regulation C, which implements the Home Mortgage Disclosure Act (HMDA). This joint interim rule did not make substantive changes in the requirements of the CRA regulations. This document was published as a joint interim rule because the changes made by OMB, Census, and the Board had already become effective. Further, financial institutions must use OMB's statistical area standards, Census' geographies, and the Board's Regulation C when adjusting assessment area delineations and collecting CRA loan data, beginning January 1, 2004.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	07/08/04	69 FR 41181
Interim Final Rule Effective	07/08/04	
Interim Final Rule Comment Period End	09/07/04	
Final Rule	To Be Determined	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

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**RIN:** 1550-AB91

**Department of the Treasury (TREAS)**  
**Office of Thrift Supervision (OTS)**
**Completed Actions**
**2911. FAIR CREDIT REPORTING**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 571

**Completed:**

Reason	Date	FR Cite
Withdrawn	01/30/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Cindy Baltierra  
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**Related RIN:** Related to 1550-AB90

**RIN:** 1550-AB33

**2912. RISK-BASED CAPITAL GUIDELINES; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE: CONSOLIDATION OF ASSET-BACKED COMMERCIAL PAPER PROGRAMS AND OTHER RELATED ISSUES**

**Priority:** Substantive, Nonsignificant

**CFR Citation:** 12 CFR 567

**Completed:**

Reason	Date	FR Cite
Second Interim Final Rule – Extension of Applicability Date	04/26/04	69 FR 22382
Second Interim Final Rule Effective	04/26/04	
Final Rule	07/28/04	69 FR 44908
Final Rule Effective	09/30/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

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**Related RIN:** Merged with 1550-AB81

**RIN:** 1550-AB79

## TREAS—OTS

## Completed Actions

**2913. INTERAGENCY PROPOSAL TO CONSIDER ALTERNATIVE FORMS OF PRIVACY NOTICES UNDER THE GRAMM—LEACH—BLILEY ACT**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**CFR Citation:** None

**Completed:**

Reason	Date	FR Cite
Withdrawn – No Further Participation Anticipated	06/12/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:**

Undetermined

**Federalism:** Undetermined

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**RIN:** 1550–AB86

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**BILLING CODE 6720–01–S**