SEC. 3. *Urban Mass Transportation Administration.* (a) There is hereby established within the Department of Transportation an Urban Mass Transportation Administration.

(b) The Urban Mass Transportation Administration shall be headed by an Urban Mass Transportation Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for Level III of the Executive Schedule Pay Rates (5 U.S.C. 5314). The Administrator shall perform such duties as the Secretary of Transportation shall prescribe and shall report directly to the Secretary.

SEC. 4. *Interim Administrator.* The President may authorize any person who immediately prior to the effective date of this reorganization plan holds a position in the executive branch of the government to act as Urban Mass Transportation Administrator until the office of Administrator is for the first time filled pursuant to the provisions of section 3(b) of this reorganization plan or by recess appointment, as the case may be. The person so designated shall be entitled to the compensation attached to the position he regularly holds.

SEC. 5. *Incidental transfers.* (a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions transferred to the Secretary of Transportation by this reorganization plan as the Director of the Bureau of the Budget shall determine shall be transferred from the Department of Housing and Urban Development to the Department of Transportation at such time or times as the Director shall direct.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided for in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 6. *Effective date.* The provisions of this reorganization plan shall take effect at the close of June 30, 1968, or at the time determined under the provisions of section 906(a) of title 5 of the United States Code, whichever is later.

[F.R. Doc. 68-5562; Filed, May 8, 1968; 8:49 a.m.]

Rules and Regulations

Title 12—BANKS AND BANKING

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Reg. Y]

PART 222—BANK HOLDING COMPANIES

Small Business Investment Companies

Section 222.111 is revised to read as follows:

§ 222.111 Limit on investment by bank holding company system in stock of small business investment companies.

(a) Under the provisions of section 4(c)(5) of the Bank Holding Company Act, as amended (12 U.S.C. 1843), a bank holding company may acquire shares of nonbank companies "which are of the kinds and amounts eligible for investment" by national banks. Pursuant to section 302(b) of the Small Business Investment Act of 1958 (15 U.S.C. 682(b)), as amended by Title II of the Small Business Act Amendments of 1967 (Public Law 90–104, 81 Stat. 268, 270), a national bank may invest in stock of small business investment companies (SBICs) subject to certain restrictions.

(b) On the basis of the foregoing statutory provisions, it is the position of the Board that a bank holding company may acquire direct or indirect ownership or control of stock of an SBIC subject to the following limits:

(1) The total direct and indirect investments of a bank holding company in stock of SBICs may not exceed:

(i) With respect to all stock of SBICs owned or controlled directly or indirectly by a subsidiary bank, 5 percent of that bank's capital and surplus;

(ii) With respect to all stock of SBICs owned directly by a bank holding company that is a bank, 5 percent of that bank's capital and surplus; and

(iii) With respect to all stock of SBICs otherwise owned or controlled directly or indirectly by a bank holding company, 5 percent of its proportionate interest in the capital and surplus of each subsidiary bank (that is, the holding company's percentage of that bank's stock times that bank's capital and surplus) less that bank's investment in stock of SBICs; and

(2) A bank holding company may not acquire direct or indirect ownership or control of 50 percent or more of the shares of any class of equity securities of an SBIC that have actual or potential voting rights.

(c) A bank holding company or a bank subsidiary that acquired direct or indirect ownership or control of 50 percent or more of any such class of equity securities prior to January 9, 1968, is not required to divest to a level below 50 percent. A bank that acquired 50 percent or more prior to January 9, 1968, may become a subsidiary in a holding company system without any necessity for divesting to a level below 50 percent: *Provided*, That such action does not result in the bank holding company acquiring control of a percentage greater than that controlled by such bank.

(12 U.S.C. 248(i). Interprets 12 U.S.C. 1843 and 15 U.S.C. 682(b))

Dated at Washington, D.C., the 29th day of April 1968.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-5530; Filed, May 8, 1968; 8:46 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER A—GENERAL

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

Foods and Drugs Containing Calamus, as the Root, Oil, or Extract

As part of a continuing research effort to evaluate the safety of flavoring components which in the period prior to the Food Additives Amendment of 1958 (Public Law 85–929) to the Federal Food, Drug, and Cosmetic Act were used in foods, and which may be proposed for current or future use in foods, the Food and Drug Administration conducted a 2-year rat-feeding study of the Jammu variety of oil of calamus. This feeding study produced a significant number of malignant tumors of the upper small intestine in the rat. An interdepartmental panel of government experts reviewed the study and confirmed the findings. Two other commercial oils of calamus from the geographic areas of Kashmir and Europe have common components but differ quantitatively in their content.

Oil of calamus is not currently authorized as a food additive. Calamus, as the root, oil, or extract, has been used in drug preparations as a carminative and a topical counterirritant. The Commissioner of Food and Drugs has concluded that calamus as the root, oil, or extract is a food additive and that any drug preparation containing calamus is a new drug. Drug preparations containing calamus which may be claimed to be exempt under the "grandfather" provisions of the Federal Food, Drug, and Cosmetic Act will be considered on an individual basis.

Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 402(a), 406, 409, 502 (a), (f), 505, 701(a), 52 Stat. 1046, as amended, 1049–1053, as amended, 1055, 72 Stat. 1785–89, as amended; 21 U.S.C. 342(a), 346, 348, 352 (a), (f), 355, 371(a)) and under the authority delegated to the Commissioner (21 CFR 2.120), the following new section is added to Part 3:

§ 3.65 Status of foods and drugs containing calamus, as the root, oil, or extract.

(a) Oil of calamus has been used in the past as a flavoring agent in fabricated foods. It is not an authorized food additive. Calamus, as the root, oil, or extract, has been used in drug preparations as a carminative and as a topical counterirritant. A recent 2-year rat-feeding study of an oil of calamus, identified as the Jammu variety of the oil, conducted by the Food and Drug Administration found the Jammu variety to be a carcinogen. The findings of the study were confirmed by the Interdepartmental Technical Panel on Carcinogens.

(b) Chronic feeding studies are not available on other varieties of the oil of calamus. Until evidence is offered to demonstrate that the carcinogenic capability of Jammu oil of calamus is absent in the other varieties of calamus, it is the policy of the Food and Drug Administration to refuse to promulgate any regulation prescribing the use of calamus, as the root, oil, or extract, in food. In addition, drug preparations containing any form of calamus are not generally recognized by qualified experts as safe and effective for any condition of use and are regarded as new drugs within the meaning of section 201(p) of the Federal Food, Drug, and Cosmetic Act.

(c) Any food or drug within the jurisdiction of the Federal Food, Drug, and Cosmetic Act containing any form of calamus shall be regarded, therefore, as in violation of the Act and subject to regulatory proceedings.

(Secs. 402(a), 406, 409, 502 (a), (f), 505, 701(a), 52 Stat. 1046, as amended, 1049–53, as amended, 1055, 72 Stat. 1785–89, as amended; 21 U.S.C. 342(a), 346, 348, 352 (a), (f), 355, 371(a))

Dated: May 1, 1968.

JAMES L. GODDARD,
Commissioner of Food and Drugs.

[F.R. Doc. 68-5556; Filed, May 8, 1968; 8:48 a.m.]

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Trifluralin

A petition (PP 8F0702) was filed with the Food and Drug Administration by

the Elanco Products Co., a division of Eli Lilly & Co., Indianapolis, Ind. 46206, proposing the establishment of a tolerance of 0.05 part per million for negligible residues of the herbicide trifluralin (α,α,α-trifluoro-2,6-dinitro-*N*, *N*-dipropyl-*p*-toluidine) in or on the raw agricultural commodity group cucurbits.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which the tolerance is being established.

Based on consideration given the data submitted in the petition, and other relevant material, the Commissioner of Food and Drugs concludes that the tolerances established by this order will protect the public health. Therefore, by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2)) and delegated to the Commissioner (21 CFR 2.120), § 120.207 is amended by revising the paragraph "0.05 part per million * * *" to read as follows:

§ 120.207 Trifluralin; tolerances for residues.

* * * * *

0.05 part per million (negligible residue) in or on alfalfa (fresh), cottonseed, cucurbits, forage legumes, fruiting vegetables, leafy vegetables, peanuts, potatoes, safflower seed, seed and pod vegetables, sugar beets, sunflower seed.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2))

Dated: May 1, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-5557; Filed, May 8, 1968; 8:48 a.m.]

Title 25—INDIANS

Chapter I—Bureau of Indian Affairs, Department of the Interior

SUBCHAPTER E—EDUCATION OF INDIANS

PART 31—FEDERAL SCHOOLS FOR INDIANS

Enrollment

Correction

In F.R. Doc. 68-5086 appearing at page 6472 in the issue of Saturday, April 27, 1968, the following changes should be made in § 31.1(a):

1. The second word in the second line should read "is".

2. The word "who" should be inserted immediately before the fourth line.

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX

[T.D. 6955]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Computation of the Limitation on the Percentage Depletion Allowance Based Upon the Taxable Income From the Property

On March 9, 1967, notice of proposed rule making with respect to the amendment of §§ 1.613 and 1.613-4 of the Income Tax Regulations (26 CFR Part 1) to conform to changes made by section 13(e) of the Revenue Act of 1962 (76 Stat. 1034) was published in the FEDERAL REGISTER (32 F.R. 3886). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendment of the regulations as proposed is hereby adopted, subject to the change set forth below:

Paragraph (b) of § 1.613-4, as set forth in the notice of proposed rule making, is revised.

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

Approved: May 3, 1968.

STANLEY S. SURREY,
Assistant Secretary of the Treasury.

In order to conform §§ 1.613 and 1.613-4 of the Income Tax Regulations (26 CFR Part 1) to section 13(e) of the Revenue Act of 1962 (76 Stat. 1034), such regulations are amended as follows:

PARAGRAPH 1. Section 1.613 is amended by revising section 613(a) and the historical note at the end of § 1.613 to read as follows:

§ 1.613 Statutory provisions; percentage depletion.

SEC. 613. *Percentage depletion*—(a) *General rule.* In the case of the mines, wells, and other natural deposits listed in subsection (b), the allowance for depletion under section 611 shall be the percentage, specified in subsection (b), of the gross income from the property excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the property. Such allowance shall not exceed 50 percent of the taxpayer's taxable income from the property (computed without allowance for depletion). For purposes of the preceding sentence, the allowable deductions taken into account with respect to expenses of mining in computing the taxable income from the property shall be decreased by an amount equal to so much of any gain which (1) is treated under section 1245 (relating to gain from disposition of certain depreciable property) as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231, and (2) is properly allocable to the property. In no case shall the allowance for depletion under section 611 be less than it would be if computed without reference to this section.

* * * * *

[Sec. 613 as amended by sec. 36, Technical Amendments Act 1958 (72 Stat. 1633); sec. 13(e), Rev. Act 1962 (76 Stat. 1034); sec. 6, Act of Sept. 2, 1964 (Public Law 88-571, 78 Stat. 860)]

PAR. 2. Section 1.613-4 is amended to read as follows:

§ 1.613-4 Taxable income from the property.

(a) *In general.* The term "taxable income from the property (computed without allowance for depletion)" as used in section 613 and this part, means "gross income from the property" as defined in section 613(c) and § 1.613-3, less allowable deductions (excluding any deduction for depletion) which are attributable to the mineral property, including allowable deductions attributable to ordinary treatment processes and mining transportation, with respect to which depletion is claimed. These deductions include administrative and financial overhead, operating expenses, selling expenses, depreciation, taxes, losses sustained, etc. In the case of oil and gas properties, such deductions include intangible drilling and development costs deducted under section 263(c) and § 1.612-4. In the case of a property other than an oil or gas property, such deductions include deductions which are attributable to processes and transportation treated as mining under section 613(c) and § 1.613-3 and amounts of exploration or development expenditures which are deducted for the taxable year under sections 615, 616, and 617. Expenditures which may be attributable to both the mineral property upon which depletion is claimed and other activities shall be fairly apportioned. Furthermore, where a taxpayer has more than one mineral property, deductions not directly attributable to a specific mineral

property shall be fairly apportioned among the several properties.

(b) *Special rule; decrease in mining expenses resulting from gain recognized under section 1245(a)(1).* (1) If during any taxable year beginning after December 31, 1962, the taxpayer disposes of an item of section 1245 property (as defined in section 1245(a)(3)) which has been used in connection with a mineral property, then for the purpose of computing the taxable income from such mineral property for such taxable year, the allowable deductions taken into account with respect to expenses of mining (that is, expenses attributable to a mineral property other than an oil and gas property) shall be decreased by an amount equal to the portion of any gain recognized under section 1245(a)(1) (relating to treatment of gain from dispositions of certain depreciable property as ordinary income) which is properly allocable to such mineral property in respect of which the taxable income is being computed. The portion of such gain which is properly allocable to such mineral property shall bear the same ratio to the total of such gain as—

(i) The portion of the "adjustments reflected in the adjusted basis" (as such term is defined in paragraph (a)(2) of § 1.1245–2, relating to definition of recomputed basis) of such section 1245 property, which were allowable as deductions from the "gross income from the property" (as defined in section 613(c) and § 1.613–3) in computing the taxable income from such mineral property, bears to

(ii) The total of the "adjustments reflected in the adjusted basis" of such section 1245 property.

(2) For the purposes of this paragraph, the adjustments reflected in the adjusted basis of the section 1245 property disposed of shall be deemed to have been taken into account in computing the taxable income from the mineral property for any taxable year notwithstanding that for the taxable year the allowance for depletion was determined without reference to percentage depletion under section 613.

(3) If the amount of gain described in subparagraph (1) of this paragraph allocable to a mineral property for a taxable year exceeds the allowable deductions otherwise taken into account in computing the taxable income from the mineral property for the taxable year, the excess may not be taken into account in computing the taxable income from the mineral property for any other taxable year.

(4) To the extent that the adjustments reflected in the adjusted basis of the section 1245 property are allocable to mineral property which the taxpayer no longer owns in the taxable year in which he disposes of the section 1245 property, the gain recognized under section 1245(a)(1) does not result in any tax benefit to the taxpayer under this paragraph since he has no taxable income from the mineral property for such year. However, if a taxpayer has, in the taxable year in which he disposes of an item of section 1245 property, only a portion of the original mineral property to which gain described in subparagraph (1) of this paragraph with respect to the section 1245 property is properly allocable, the entire amount of that gain shall nevertheless be taken into account in computing the taxable income of the remaining portion of the mineral property. Furthermore, the fact that a mineral property to which section 1245 gain is properly allocable is (in the taxable year in which the taxpayer disposes of an item of section 1245 property) no longer in existence merely because the mineral property has been made a part of an aggregation or has been deaggregated will not result in the loss of tax benefits under this section. Accordingly,

(i) If a taxpayer has made an aggregation of mineral properties (see section 614 and the regulations thereunder), the amount of any gain described in subparagraph (1) of this paragraph which is properly allocable to the aggregation shall include the portion of any gain which would be properly allocable to the mineral properties which existed separately prior to the aggregation and of which the aggregation is or was composed, if the prior mineral properties had not been aggregated; and

(ii) If a taxpayer has deaggregated a mineral property, the amount of any gain described in subparagraph (1) of this paragraph which is properly allocable to each of the resulting mineral properties shall include a part of the portion of any gain which would be properly allocable to the prior aggregation if the aggregation had not been deaggregated, the part properly allocable to each of the resulting properties being determined by allocating the gain between the resulting properties in the same manner as basis is allocated between them for tax purposes (see paragraph (a)(2) of § 1.614–6 and example (5) of subparagraph (7) of this paragraph).

(5) In any case in which it is necessary to determine the portion of any gain recognized under section 1245(a)(1) which is properly allocable to the mineral property in respect of which the taxable income is being computed, the taxpayer shall have available permanent records of all the facts necessary to determine with reasonable accuracy the amount of such portion. In the absence of such records, none of the gain recognized under section 1245(a)(1) shall be allocable to such mineral property.

(6) As used in this paragraph, the term "mineral property" has the meaning assigned to it by section 614 and § 1.614–1.

(7) The provisions of this paragraph may be illustrated by the following examples:

Example (1). A, who uses the calendar year as his taxable year, operated and treated as separate properties mines Nos. 1 and 2. On January 1, 1963, A acquired a truck which was section 1245 property. During 1963 and 1964 the truck was used 25 percent of the time at mine No. 1 and 75 percent of the time at mine No. 2. For each such year the depreciation adjustments allowed in respect of the truck were $800 (the amount allowable). In computing the taxable income from mines Nos. 1 and 2 for each such year, $200 (25 percent of $800) of the depreciation adjustments was allocated by A to mine No. 1 and $600 (75 percent of $800) to mine No. 2. Thus, for the 2 years, the total of the depreciation adjustments on the truck was $1,600, of which $400 was allocated to mine No. 1 and $1,200 to mine No. 2. On January 1, 1965, A recognized upon sale of the truck a gain of $500 to which section 1245(a)(1) applied. During 1965, A did not recognize any other gain to which section 1245(a)(1) applied. In computing taxable income from the mines for 1965, the expenses otherwise required to be taken into account are reduced by $125 (that is $400/$1,600 of $500) for mine No. 1 and by $375 (that is $1,200/$1,600 of $500) for mine No. 2.

Example (2). The situation is the same as in example (1), except that the truck in question is used 25 percent of the time at mine No. 1, and 75 percent of the time in a nonmining business owned by A. Accordingly, in computing taxable income from A's mines for 1965, the expenses for mine No. 1 otherwise required to be taken into account are reduced by $125 (that is $400/$1,600 of $500), but no reduction is made in the expenses for mine No. 2, since the truck in question was not used in connection with that mineral property.

Example (3). The situation is the same as in example (1), except that the truck in question was used exclusively at mine No. 1 in 1963. On January 1, 1964, the truck was transferred to mine No. 2, and was used exclusively at mine No. 2 during the remaining period prior to its sale. However, A continued to own and operate mine No. 1. For the 2 years 1963 and 1964, the total of the depreciation adjustments on the truck was $1,600, of which $800 was allocated to mine No. 1 and $800 to mine No. 2. In computing taxable income from A's mines for 1965, the expenses for mines Nos. 1 and 2 otherwise required to be taken into account are reduced by $250 each (that is $800/$1,600 of $500). If A had sold mine No. 1 on January 1, 1964, no reduction in expenses would be allowable as a result of the operation of the truck at mine No. 1, since A would no longer have owned mine No. 1 in the year in which the truck was sold.

Example (4). On January 1, 1963, B, who uses the calendar year as his taxable year and who normally allocates depreciation costs to mines according to the percentage of time which the depreciable asset is used with respect to the mines, acquired a truck which was section 1245 property. During 1963 the truck was used exclusively on mine No. 1, which B operated and treated as a separate property. The depreciation adjustments allowed in respect of the truck for 1963 were $1,000 (the amount allowable), which amount was allocated to mine No. 1 in computing the taxable income therefrom. On January 1, 1964, B acquired and began operating mine No. 2 and elected under section 614(c) to aggregate and treat as one property mines Nos. 1 and 2. During 1964 B used the truck 60 percent of the time for mine No. 1 and 40 percent of the time for mine No. 2.

For 1964 the depreciation adjustments allowed in respect of the truck were $1,000 (the amount allowable), which amount was allocated to the aggregation of mines Nos. 1 and 2 in computing the taxable income therefrom. On December 31, 1964, B sold mine No. 2. For 1965 the depreciation adjustments allowed in respect of the truck were $1,000 (the amount allowable), which amount was allocated to mine No. 1 in computing the taxable income therefrom. On January 1, 1966, B recognized upon sale of the truck gain of $600 to which section 1245(a)(1) applied. In computing the taxable income from mine No. 1 for 1966, the expenses otherwise required to be taken into account are reduced by $600, since all the depreciation adjustments allowed with respect to the truck, including those allowed with respect to the use of the truck at mine No. 2 ($400 for 1964), relate to the same mineral property from which A had taxable income in 1966, the taxable year in which he sold the truck.

Example (5). On January 1, 1962, A, who uses the calendar year as his taxable year, elected under section 614(c) to aggregate and treat as one mineral property his operating mineral interests in mines Nos. 1 and 2. On January 1, 1963, A acquired a truck which was section 1245 property, to be used at both mine No. 1 and mine No. 2. A later elected (with the consent of the Commissioner) to deaggregate mines Nos. 1 and 2, and this deaggregation became effective on January 1, 1964. At the time of deaggregation, half of the tax basis of the aggregated property was allocated to mine No. 1, and the other half to mine No. 2. During each of the years 1963 and 1964, the truck was used 25 percent of the time on mine No. 1 and 75 percent of the time on mine No. 2, and the depreciation adjustments allowed in respect of the truck were $800 (the amount allowable). On January 1, 1965, A recognized upon sale of the truck a gain of $500 to which section 1245(a)(1) applied. In computing taxable income from A's mines for 1965, the expenses otherwise required to be taken into account are reduced by $187.50 (that is half of $250 for 1963 and $200/$800 of $250 for 1964) for mine No. 1 and by $312.50 (that is half of $250 for 1963 and $600/$800 of $250 for 1964) for mine No. 2.

(Sec. 7805 of the Internal Revenue Code of 1954; 68A Stat. 917; 26 U.S.C. 7805)

[F.R. Doc. 68-5551; Filed, May 8, 1968; 8:48 a.m.]

Title 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

SUBCHAPTER I—MILITARY PERSONNEL

PART 882—DECORATIONS AND AWARDS

Miscellaneous Amendments

Subchapter I of Chapter VII of Title 32 of the Code of Federal Regulations is amended as follows.

Subpart A—General

1. Sections 882.3, 882.8(c), and 882.9 (b) and (c) are revised to read as follows:

§ 882.3 Service awards.

Service awards normally are awarded to recognize honorable, active, Federal military service during periods of war or national emergency. They are also awarded for participation in specified, significant, military operations, and for specific types of service while on active duty or as a member of the Air Reserve Forces. Unless specifically precluded by the eligibility criteria prescribed for the award, the term active duty status is interpreted as all periods of military service in a Regular component of the Armed Forces of the United States, or in an active duty status while serving in any of the Reserve components listed in § 882.70 and service as a cadet or midshipman of the U.S. Air Force, Army, or Naval academies.

§ 882.8 Use of decorations, awards, and devices in exhibitions.

* * * * *

(c) *Where to send requests.* All requests for sample decorations, awards, ribbons, devices, and streamers for exhibit or display will be submitted to USAF Military Personnel Center (AFPMSAM), Randolph AFB TX 78148, for approval. Requests for display of medals by Air Force organizations will be submitted through their parent major command channels.

* * * * *

§ 882.9 Procurement and supply.

* * * * *

(b) *Items available.* The following Federal Supply Catalog list items available through the supply system, together with Federal stock numbers, index numbers, and unit prices.

(1) Decorations, service awards, related devices (regular size) and presentation hook attachments for medals or ribbon bars (for clutch and pin type fastening devices)—Federal Supply Catalog C8455.

(2) Miniature medals (U.S. decorations and service medals). A miniature medal, except for the Medal of Honor, will be issued, in addition to the regular size medal, to military members on active duty and members of the Reserve components for all decorations awarded and/or presented on or after June 29, 1967, and for all service medals earned on or after that date. (A miniature medal is not authorized for the Medal of Honor.) Since very few airmen have a requirement to wear miniature medals, they will be issued to them only upon request.

(i) Miniature medals for the Air Force Cross and the Distinguished Service Medal (AF design) will be stocked and issued by USAFMPC (AFPMSAM), Randolph AFB TX 78148.

(ii) Miniature medals for all other decorations and service medals are expected to become available July 1, 1968. When available, Hq USAF will make an announcement which will include the Federal stock number for each medal and the unit cost. The medals will then be procured through normal supply channels for issue to eligible personnel.

NOTE: The other services do not issue miniature medals to accompany their awards. However, the Air Force will issue a miniature medal to an Air Force recipient of an award from other services, provided it is one that is commonly used by all the services. If it is an award not commonly used by all services the Air Force recipient may purchase the miniature medal from commercial or other sources.

(3) Streamers—Federal Supply Catalogs C8300-IL-AF and C8300-ML-AF.

(4) Individual emblems denoting unit awards—Federal Supply Catalogs C8400/70-IL-AF and C8440/70-ML-AF.

(c) *Items not available.* Miniature devices, miniature ribbons, and the individual emblems for the Presidential Unit Citations of the Republic of Korea and the Philippine Republic are neither issued nor sold by the Department of the Air Force. Also, the individual emblems for referenced Presidential Citations are not issued by the respective governments of those countries. All items listed may be purchased from the base exchanges or from commercial dealers in military devices and appurtenances.

NOTE: Except for the Legion of Merit in the degrees of Chief Commander and Commander, Hq USAF includes a miniature medal in the award package presented to foreign nationals.

§ 882.10 Replacement of decorations and service medals. [Amended]

2. Section 882.10(c) is amended by correcting the address of the last item in the table to read "NPRC (MPR-AF), 9700 Page Boulevard, St. Louis, Mo. 63132."

Subpart B—U.S. Military Decorations

3. Section 882.23 is revised to read as follows:

§ 882.23 Elements of the decoration.

The elements of a decoration include a case containing the medal with suspension ribbon (see § 882.9 for information on availability of miniature medals), ribbon bar, clusters (if any), lapel button or rosette (as applicable); a certificate; a citation, except for the Purple Heart Decoration; and the special orders announcing the award. Except for decorations awarded to foreign military personnel, retired or separated U.S. personnel and posthumous decorations, special orders are not essential at the time of the presentation ceremony and may be furnished later.

§ 882.25 Military decorations. [Amended]

4. Section 882.25(h) is amended by changing the words "Personnel Services Division" in the third sentence to read "Personnel Actions Division."

Subpart E—U.S. Service Awards

5. Section 882.54a is amended by revising paragraph (c) to read as follows:

§ 882.54a Combat Readiness Medal.

* * * * *

(c) *Initial award.* All qualifying service from August 1, 1960. Individuals may claim past entitlement under new criteria established August 28, 1967. Officers must certify that they earned entitlement to the Combat Readiness Medal, as outlined in paragraph (b) of this section, giving the dates when they were combat ready