

§ 416.1926 Term of the agreement.

The Social Security Administration and the State shall mutually agree upon the term of agreement.

[FR Doc.76-14708 Filed 5-20-76;8:45 am]

Title 21—Food and Drugs

CHAPTER I—FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

[Docket No. 76F-0147]

PART 121—FOOD ADDITIVES

Heptylparaben; Food Additives Permitted in Food for Human Consumption

The Food and Drug Administration is amending the food additive regulations to provide for safe use of heptylparaben in noncarbonated soft drinks and fruit-based beverages to inhibit microbiological spoilage, effective May 21, 1976; objections by June 21, 1976.

Notice was given by publication in the FEDERAL REGISTER of October 28, 1972 (37 FR 23120), that a food additive petition (FAP 2H2805) had been filed by Mallinckrodt Chemical Works, Washine Division, Lodi, NJ 07644, proposing that § 121.1186 (21 CFR 121.1186) be amended to provide for safe use of *n*-heptyl *p*-hydroxybenzoate in nonstandardized soft drinks and fruit-based beverages.

The Commissioner of Food and Drugs issued, in the FEDERAL REGISTER of October 30, 1974 (39 FR 38224), a regulation establishing "heptylparaben" as the common or usual name for *n*-heptyl *p*-hydroxybenzoate.

The Commissioner, having evaluated the data in the food additive petition and other relevant material, concludes that § 121.1186 (21 CFR 121.1186) should be amended as set forth below to provide for safe use of heptylparaben in noncarbonated soft drinks and fruit-based beverages to inhibit microbiological spoilage.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 409(c) (1), 72 Stat. 1786 (21 U.S.C. 348(c) (1))) and under authority delegated to the Commissioner (21 CFR 2.120), § 121.1186 is revised to read as follows:

§ 121.1186 Heptylparaben.

(a) The food additive heptylparaben is the chemical *n*-heptyl *p*-hydroxybenzoate.

(b) It may be safely used to inhibit microbiological spoilage in accordance with the following prescribed conditions:

(1) In fermented malt beverages in amounts not to exceed 12 parts per million.

(2) In noncarbonated soft drinks and fruit-based beverages in amounts not to exceed 20 parts per million, when standards of identity established under section 401 of the act (21 U.S.C. 341) do not preclude such use.

Any person who will be adversely affected by the foregoing regulation may at any time on or before June 21, 1976, file with the Hearing Clerk, Food and Drug Administration, Rm. 4-65, 5600

Fishers Lane, Rockville MD 20852, written objections thereto. Objections shall show wherein the person filing will be adversely affected by the regulation, specify with particularity the provisions of the regulation deemed objectionable, and state the grounds for the objections. If a hearing is requested, the objections shall state the issues for the hearing, shall be supported by grounds factually and legally sufficient to justify the relief sought, and shall include a detailed description and analysis of the factual information intended to be presented in support of the objections in the event that a hearing is held. Six copies of all documents shall be filed and should be identified with the Hearing Clerk docket number found in brackets in the heading of this regulation. Received objections may be seen in the above office during working hours, Monday through Friday.

Effective date. This regulation shall become effective May 21, 1976.

(Sec. 409(c) (1), 72 Stat. 1786 (21 U.S.C. 348(c) (1)))

Dated: May 14, 1976.

SAM D. FINE,
Associate Commissioner
for Compliance.

[FR Doc.76-14879 Filed 5-20-76;8:45 am]

Title 24—Housing and Urban Development CHAPTER III—GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

[Docket No. R-76-210]

PART 300—GENERAL

List of Attorneys-in-Fact

Section 300.11 is amended to add additional names to the list of attorneys-in-fact authorized to act on behalf of the Association and to remove two names from the current list.

Notice and public procedure on this amendment are unnecessary and impracticable because of the large volume of legal documents that must be executed on behalf of the Association in connection with its recent auctions of mortgages.

§ 300.11 [Amended]

1. Paragraph (c) of § 300.11 is amended by deleting the following names from the current list of attorneys-in-fact:

NAME AND REGION

Stephen C. Crabb, Dallas, Texas
W. J. Gerard, Los Angeles, California

2. Paragraph (c) of § 300.11 is further amended by adding the following names in alphabetical sequence to the current list of attorneys-in-fact:

NAME AND REGION

H. D. Banks, Atlanta, Georgia
Diane E. Cozad, Los Angeles, California
S. C. Crabb, Dallas, Texas
Helen M. Eitzerth, Atlanta, Georgia
R. L. Shanteau, Atlanta, Georgia
Mary Simpson, Dallas, Texas
Samuel M. Smith, III, Atlanta, Georgia
E. A. Taylor, Atlanta, Georgia

Effective date: This amendment shall be effective on May 21, 1976.

It is hereby certified that the economic and inflationary impacts of this regulation have been carefully evaluated in accordance with OMB Circular A-107.

DAVID M. DEWILDE,
President, Government National
Mortgage Association.

[FR Doc.76-14895 Filed 5-20-76;8:45 am]

Title 26—Internal Revenue

CHAPTER I—INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY

SUBCHAPTER A—INCOME TAX

[T.D. 7421]

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

SUBCHAPTER F—PROCEDURE AND ADMINISTRATION

PART 301—PROCEDURE AND ADMINISTRATION

Notification of Interested Parties Regarding Qualification of Certain Retirement Plans

Preamble. On June 4, 1975, a notice of proposed rule making with respect to the amendments of the Income Tax Regulations (26 CFR Part 1) relating to notification of interested parties regarding the qualification of certain retirement plans under section 7476 of the Internal Revenue Code of 1954, as added by section 1041(a) of the Employment Retirement Income Security Act of 1974 (88 Stat. 949), was published in the FEDERAL REGISTER (40 FR 24011). A correction notice was published in the FEDERAL REGISTER (40 FR 24527) on June 9, 1975. On July 14, 1975, a notice of proposed rule making with respect to the amendments of the Income Tax Regulations (26 CFR Part 1) relating to the notice of determination regarding qualification of certain retirement plans, also under section 7476 of the Internal Revenue Code of 1954, was published in the FEDERAL REGISTER (40 FR 29553).

Under section 3001(a) of the Employee Retirement Income Security Act of 1974 (88 Stat. 995), before the Internal Revenue Service may issue an advance determination whether a pension, profit-sharing or stock bonus plan, a trust which is a part of such a plan, an annuity plan, or bond purchase plan described in section 401(a), 403(a), or 405(a) of the Code is exempt from taxation, the applicant must provide the Internal Revenue Service with satisfactory evidence that such applicant has notified each employee qualifying as an interested party under the regulations prescribed under section 7476(b) (1) of the Code of the application for such determination.

Under section 7476(b) (2) of the Code, if the petitioner for a declaratory judgment concerning the status of certain retirement plans was the applicant for an advance determination by the Internal Revenue Service of such status, the Tax Court may hold the filing of a pleading for such declaratory judgment to be premature unless the petitioner establishes to the satisfaction of the Tax Court that such petitioner has notified all interested parties of such application for an advance determination.

The amendments to the regulations define the term interested party as well as provide rules for notification of interested parties by the employer, when such employer requests an advance determination regarding the qualification of a retirement plan. The amendments adopted by this document differ from the rules set forth in the notice of proposed rule making by altering the definition of an interested party as well as by providing additional methods for notifying interested parties.

Adoption of the amendments to the regulations. After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendment of the Income Tax Regulations (26 CFR Part 1) is hereby adopted as set forth below. Sections 11.7476-1, 11.7476-2, and 11.7476-3 of this Chapter (Temporary Income Tax Regulations under the Employee Retirement Income Security Act of 1974) are superseded.

1. The following sections are added immediately after § 1.6851-3:

THE TAX COURT

DECLARATORY JUDGMENTS RELATING TO QUALIFICATION OF CERTAIN RETIREMENT PLANS

§ 1.7476 Statutory provisions; declaratory judgments.

Sec. 7476. *Declaratory judgments*—(a) *Creation of remedy.* In a case of actual controversy involving—

(1) A determination by the Secretary or his delegate with respect to the initial qualification or continuing qualification of a retirement plan under subchapter D of chapter 1, or

(2) A failure by the Secretary or his delegate to make a determination with respect to—

(A) Such initial qualification, or

(B) Such continuing qualification if the controversy arises from a plan amendment or plan termination,

upon the filing of an appropriate pleading, the United States Tax Court may make a declaration with respect to such initial qualification or continuing qualification. Any such declaration shall have the force and effect of a decision of the Tax Court and shall be reviewable as such.

(b) *Limitations*—(1) *Petitioner.* A pleading may be filed under this section only by a petitioner who is the employer, the plan administrator, an employee who has qualified under regulations prescribed by the Secretary or his delegate as an interested party for purposes of pursuing administrative remedies within the Internal Revenue Service, or the Pension Benefit Guaranty Corporation.

(2) *Notice.* For purposes of this section, the filing of a pleading by any petitioner may be held by the Tax Court to be premature, unless the petitioner establishes to the satisfaction of the court that he has complied with the requirements prescribed by regulations of the Secretary or his delegate with respect to notice to other interested parties of the filing of the request for a determination referred to in subsection (a).

(3) *Exhaustion of administrative remedies.* The Tax Court shall not issue a declaratory judgment or decree under this section in any proceeding unless it determines that the

petitioner has exhausted administrative remedies available to him within the Internal Revenue Service. A petitioner shall not be deemed to have exhausted his administrative remedies with respect to a failure by the Secretary or his delegate to make a determination with respect to initial qualification or continuing qualification of a retirement plan before the expiration of 270 days after the request for such determination was made.

(4) *Plan put into effect.* No proceeding may be maintained under this section unless the plan (and, in the case of a controversy involving the continuing qualification of the plan because of an amendment to the plan, the amendment) with respect to which a decision of the Tax Court is sought has been put into effect before the filing of the pleading. A plan or amendment shall not be treated as not being in effect merely because under the plan the funds contributed to the plan may be refunded if the plan (or the plan as so amended) is found to be not qualified.

(5) *Time for bringing action.* If the Secretary or his delegate sends by certified or registered mail notice of his determination with respect to the qualification of the plan to the persons referred to in paragraph (1) (or, in the case of employees referred to in paragraph (1), to any individual designated under regulations prescribed by the Secretary or his delegate as a representative of such employee), no proceeding may be initiated under this section by any person unless the pleading is filed before the ninety-first day after the day after such notice is mailed to such person (or to his designated representative, in the case of an employee).

(c) *Commissioners.* The chief judge of the Tax Court may assign proceedings under this section to be heard by the commissioners of the court, and the court may authorize a commissioner to make the decision of the court with respect to such proceeding, subject to such conditions and review as the court may by rule provide.

(d) *Retirement plan.* For purposes of this section, the term "retirement plan" means—

(1) A pension, profit-sharing, or stock bonus plan described in section 401(a) or a trust which is part of such a plan,

(2) An annuity plan described in section 403(a), or

(3) A bond purchase plan described in section 405(a).

(e) *Cross reference.* For provisions concerning intervention by Pension Benefit Guaranty Corporation and Secretary of Labor in actions brought under this section and right of Pension Benefit Guaranty Corporation to bring action, see section 3001(c) of subtitle A of title III of the Employee Retirement Income Security Act of 1974.

[Sec. 7476 as added by sec. 1041(a), Employee Retirement Income Security Act of 1974 (88 Stat. 949)]

§ 1.7476-1 Interested parties.

(a) *In general*—(1) *Notice requirement.* Before the Internal Revenue Service can issue an advance determination as to the qualified status of certain retirement plans, the applicant must provide the Internal Revenue Service with satisfactory evidence that such applicant has notified the persons who qualify as interested parties, under regulations prescribed under section 7476(b) (1) of the Code, of the application for such determination. See section 3001(a) of the Employee Retirement Income Security Act of 1974 (88 Stat. 995). For the rules for giving notice to interested

parties, see § 1.7476-2 and paragraph (c) of § 601.201 of this chapter (Statement of Procedural Rules).

(2) *Declaratory judgments.* Section 7476 provides a procedure for obtaining a declaratory judgment by the Tax Court with respect to the initial or continuing qualification under subchapter D of chapter 1 of the Code of a retirement plan defined in section 7476(d), in the case of an actual controversy involving:

(i) A determination by the Internal Revenue Service with respect to the initial qualification or continuing qualification under such subchapter of such a plan, or

(ii) A failure by the Internal Revenue Service to make a determination with respect to—

(A) Such initial qualification of such a plan, or

(B) Such continuing qualification of such a plan, if the controversy arises from a plan amendment or plan termination.

Under section 7476(d) the term "retirement plan" means a pension, profit-sharing, or stock bonus plan described in section 401(a), or a trust which is part of such a plan, an annuity plan described in section 403(a), or a bond purchase plan described in section 405(a). This procedure is available only to the employer, the plan administrator as defined in section 414(g), an employee who qualifies as an interested party as defined in this section, or the Pension Benefit Guaranty Corporation, where such person has an actual controversy involving a determination described in paragraph (a) (2) (i) of this section, or failure to make a determination described in paragraph (a) (2) (ii) of this section. In the case of an application for such a determination, this procedure is available only if such determination or failure to make such determination is with respect to an application described in paragraph (b) (7) of this section. In addition, in the case of such an application, if a petitioner was the applicant for the determination, the Tax Court may hold, under section 7476(b) (2), the filing of a pleading for a declaratory judgment to be premature unless the petitioner establishes to the satisfaction of the Tax Court that such petitioner has caused the interested parties to be notified in accordance with this section and § 1.7476-2.

(b) *Interested parties*—(1) *In general.* If paragraphs (b) (2), (3), (4), and (5) of this section do not apply, then, except as otherwise provided in paragraphs (b) (6) (i), (ii), and (iii) of this section, the following persons shall be interested parties with respect to an application for an advance determination as to the qualified status of a retirement plan:

(i) All present employees of the employer who are eligible to participate in the principal place of employment of (2) of this section), and

(ii) All other present employees of the employer whose principal place of employment (as defined in paragraph (d) (3) of this section) is the same as

the principal place of employment of any employee described in paragraph (b) (1) (i) of this section.

(2) *Certain plans covering a principal owner.* Notwithstanding paragraph (b) (1) of this section, where—

(i) A principal owner (within the meaning of paragraph (d) (2) of § 11.414(c)-3 of this chapter (Temporary Income Tax Regulations under the Employee Retirement Income Security Act of 1974)) of the employer or of a common parent of the employer (where the employer is a member of a parent-subsidiary group of trades or businesses under common control under section 414 (b) or (c)) is eligible to participate in the plan, and

(ii) The number of employees employed by such employer (including all employees who by reason of section 414 (b) or (c) are treated as employees of such employer) is 100 or less, then except as otherwise provided in paragraphs (b) (6) (i), (ii), and (iv) of this section, all present employees of the employer shall be interested parties with respect to an application for an advance determination as to the qualified status of the retirement plan.

(3) *Certain Plan amendments.* In the case of an application for an advance determination as to whether a plan amendment affects the continuing qualification of a plan, if—

(i) There is outstanding a favorable determination letter for a plan year to which section 410 applies, and

(ii) The amendment does not alter the participation provisions of the plan, then paragraphs (b) (1) and (2) of this section shall not apply, and all present employees of the employer who are eligible to participate in the plan (as defined in paragraph (d) (2) of this section), shall be interested parties. For the purpose of this paragraph (b) (3), if qualification of the plan is dependent upon benefits under the plan integrating with those benefits provided under the Social Security Act or a similar program, and if such integration results in excluding any employee or could possibly result in any participant's benefit being reduced to zero and the amendment alters contributions to or the amount of benefits payable under the plan, then the amendment shall be considered to alter the participation provisions of the plan.

(4) *Collectively bargained plans.* In the case of an application with respect to a plan described in section 413(a) (relating to collectively bargained plans), paragraphs (b) (1), (2) and (3) of this section shall not apply and all present employees covered by a collective-bargaining agreement pursuant to which the plan is maintained shall be interested parties.

(5) *Plan terminations.* In the case of an application for an advance determination with respect to whether a plan termination affects the continuing qualification of a retirement plan, paragraphs (b) (1), (2), (3) and (4) of this section shall not apply, and all present employ-

ees with accrued benefits under the plan, all former employees with vested benefits under the plan, and all beneficiaries of deceased former employees currently receiving benefits under the plan, shall be interested parties.

(6) *Exceptions.* (i) In the case of an application to which paragraph (b) (1) or (2) of this section applies, an employee who is not eligible to participate in the plan shall not be an interested party if such employee is excluded from consideration for purposes of section 410(b) (1) by reason of section 410(b) (2) (B) or (C).

(ii) In the case of an application to which paragraph (b) (1) or (2) of this section applies, an employee who is not eligible to participate in the plan shall not be an interested party if such plan meets the eligibility standards of section 410(b) (1) (A).

(iii) In the case of an application to which paragraph (b) (1) of this section applies, an employee who is not eligible to participate in the plan shall not be an interested party with respect to such plan if such employee is eligible to participate in any other plan of the employer with respect to which a favorable determination letter is outstanding (whether or not issued pursuant to an application to which this section applies), or in such a plan of another employer whose employees, by reason of section 414 (b) or (c), are treated as employees of the employer making the application.

(iv) In the case of an application to which paragraph (b) (2) of this section applies, an employee who is not eligible to participate in the plan shall not be an interested party with respect to such plan if such employee is eligible to participate in a plan described in section 413(a) (relating to collectively bargained plans) maintained by the employer with respect to which a favorable determination letter is outstanding (whether or not issued pursuant to an application to which this section applies), or in such a plan of another employer whose employees, by reason of section 414 (b) or (c), are treated as employees of the employer making the application.

(7) *Applicability.* Paragraph (b) of this section shall only apply in the case of an application made to the Internal Revenue Service requesting an advance determination that a retirement plan as defined in section 7476(d) and paragraph (a) of this section meets the requirements for qualification for a plan year or years to which section 410 applies to such plan. See paragraph (c) (4) and (5) of this section for special rules in respect of years to which section 410 applies.

(c) *Special rules.* For purposes of paragraph (b) of this section and § 1.7476-2—

(1) *Time of determination.* The status of an individual as an interested party and as a present employee or former employee shall be determined as of a date determined by the applicant, which date shall not be earlier than five business days before the first date on which the notice of the application is given to

interested parties pursuant to § 1.7476-2 nor later than the date on which such notice is given.

(2) *Controlled groups, etc.* An individual shall be considered to be an employee of an employer if such employee is treated as that employer's employee under section 414 (b) or (c).

(3) *Self-employed individuals.* A self-employed individual shall be considered an employee.

(4) *Years to which section 410 relates.* For purposes of paragraph (b) (7) of this section, section 410 shall be considered to apply to a plan year if an election has been made under section 1017(d) of the Employee Retirement Income Security Act of 1974 to have section 410 apply to such plan year, whether or not the election is conditioned upon the issuance by the Commissioner of a favorable determination letter.

(5) *Government, church plans, etc.* In the case of an organization described in section 410(c) (1), section 410 will be considered to apply to a plan year of such organization for any plan year to which section 410(c) (2) applies to such plan.

(d) *Definitions.* For the purposes of paragraph (b) of this section and § 1.7476-2—

(1) *Employer.* The term "employer" includes all employers who maintain the plan with respect to which an advance determination applies. A sole proprietor shall be considered such person's own employer and a partnership is considered to be the employer of each of the partners.

(2) *Eligible to participate.* For purposes of this section, an employee is eligible to participate in a plan if such employee—

- (i) Is a participant in the plan,
- (ii) Would be a participant in the plan if such employee met the minimum age and service requirements of the plan or
- (iii) Would be a participant in the plan upon making mandatory employee contributions.

In applying this paragraph (d) (2), plan provisions (with respect to which the determination regarding qualification is to be based) not in effect on the first date on which notice is given to interested parties shall be treated as though they were in effect on such date.

(3) *Place of employment.* A place of employment includes all worksites within a plant, installation, store, office, or similar facility. Any employee who has no principal place of employment shall be treated as though such employee's principal place of employment is that place to which such employee regularly reports to the employer.

§ 1.7476-2 Notice to interested parties.

(a) *In general.* Any person applying to a district director for a determination described in paragraph (b) (7) of § 1.7476-1 shall cause notice of the application to be given to persons who qualify as interested parties under § 1.7476-1 with respect to the application, whether or not such application is

received by the Internal Revenue Service before the date on which section 410 applies to the plan.

(b) *Nature of notice.* The notice required by this section shall be given in writing, shall contain the information and be given within the time prescribed in paragraph (c)(3) of § 601.201 of this chapter (Statement of Procedural Rules), and shall be given in the manner prescribed in paragraph (c) of this section.

(c) *Method of giving notice.*—(1) *Present employee.* In the case of a present employee who is an interested party, notice shall be given in person, by mailing, by posting, or by printing it in a publication of the employer or an employee organization which is distributed in such a manner so as to be reasonably available to such employee. Notice given by posting shall be made by posting such notice (i) at those locations within the principal places of employment of the interested parties which are customarily used for employer notices to employees with regard to labor-management relations matters, or (ii) if the plan is maintained pursuant to one or more collective-bargaining agreements, at those locations described in (i) or at those locations customarily used by the employee representatives for posting notices with regard to labor-management relations matters (such as local union meeting places) in the geographical area or areas within which the interested parties are employed. Regardless of which method is used to notify an employee, if an interested party who is a present employee is in a unit of employees covered by a collective-bargaining agreement between employee representatives and one or more employers, notice shall also be given in person or by mail to the collective-bargaining representative of such interested party.

(2) *Former employee or beneficiary.* (i) Except as otherwise provided in paragraph (c)(2)(ii) of this section, in the case of a former employee or beneficiary who is an interested party, notice shall be given in person or by mail to the last known address of such former employee or beneficiary.

(ii) In cases in which compliance with the methods for notification prescribed in paragraph (c)(2)(i) of this section will present unusual financial or administrative burdens or, by reason of the peculiar circumstances of the case, cannot reasonably be expected to result in adequate and timely notice, applicants for advance determination letters may cause notice to be given to former employees or beneficiaries by methods other than those described in such paragraph (c)(2)(i) provided such methods are reasonably calculated to provide timely notice to such employees or beneficiaries who are interested parties, or to established representatives of such interested parties who may be reasonably expected to act in their interest and on their behalf. In such a case, the application for determination shall be accompanied by a full description of the method of notification used, as well as the particular

financial or administrative burdens that would have occurred if notice had been given pursuant to the methods prescribed in paragraph (c)(2)(i) of this section, or the reasons why such prescribed methods would not have resulted in adequate or timely notice.

(d) *Effective date.* (1) the provisions of § 1.7476-1 and this section shall apply to applications referred to in paragraph (b) of § 1.7476-1 made on or after June 21, 1976. Sections 11.7476-1, and 11.7476-2 of this chapter (Temporary Income Tax Regulations under the Employee Retirement Income Security Act of 1974) as promulgated by Treasury Decision 7358 (May 30, 1975) shall apply to applications made before such date. However, an applicant may elect to have the provisions of § 1.7476-1 and this section apply with respect to an application made after May 20, 1976 and before June 21, 1976. Such election may be made by attaching to the application as originally submitted, a statement that the applicant has elected to have the provisions of § 1.7476-1 and this section apply.

(2) Notwithstanding paragraph (d)(1) of this section, if—

(i) The plan or plan amendment which is the subject of an application for advance determination, is adopted on or before May 30, 1976, and,

(ii) Such application for advance determination is made before September 2, 1976, the applicant may elect to have the provisions of §§ 11.7476-1 and 11.7476-2 of this chapter (Temporary Income Tax Regulations under the Employee Retirement Income Security Act of 1974) apply with respect to such application made on or after June 21, 1976 and before September 2, 1976. Such an election may be made by attaching to the application as originally submitted, a statement that the applicant has elected to have the provisions of §§ 11.7476-1 and 11.7476-2 of this chapter (Temporary Income Tax Regulations under the Employee Retirement Income Security Act of 1974) apply.

§ 1.7476-3 Notice of determination.

(a) *In general.* Under section 7476(b)(5), if a district director sends to the employer, the plan administrator, an interested party with respect to the plan, or the Pension Benefit Guaranty Corporation (or in the case of certain individuals who qualify as interested parties under paragraph (b) of § 1.7476-1, to the person described under paragraph (c) of this section as the representative of such individuals) by certified or registered mail a notice of determination with respect to the qualification of a retirement plan described in section 7476(d), no proceeding for a declaratory judgment by the United States Tax Court with respect to the qualification of such plan may be initiated by such person unless the pleading initiating such proceeding is filed by such person with such Court before the ninety-first day after the day after such notice is mailed.

(b) *Address for notice of determination.*—(1) *Applicant.* In the case of the

applicant for a determination, a notice of determination referred to in section 7476(b)(5) shall be sufficient if mailed to such person at the address set forth on the application for the determination.

(2) *Interested party.* In the case of an interested party or parties who, pursuant to section 3001(b) of the Employee Retirement Income Security Act of 1974 (88 Stat. 995), submitted a comment to a district director with respect to the qualification of the plan, a notice of determination referred to in section 7476(b)(5) shall be sufficient if mailed to the address designated in the comment as the address to which correspondence should be sent.

(c) *Representative of interested parties.* (1) In the case of an interested party who, in accordance with section 3001(b) of the Employee Retirement Income Security Act of 1974 (88 Stat. 995), requests the Secretary of Labor to submit a comment to a district director on matters respecting the qualification of the plan, where pursuant to such request such Secretary does in fact submit such a comment, the Administrator of Pension and Welfare Benefit Programs, Department of Labor, shall be the representative of such interested party for purposes of receiving the notice referred to in section 7476(b)(5) with respect to those matters on which the Secretary of Labor commented.

(2) In the event a single comment with respect to the qualification of the plan is submitted to a district director by two or more interested parties, the representative designated in the comment for receipt of correspondence shall be the representative of all the interested parties submitting the comment for purposes of receiving the notice referred to in section 7476(b)(5) on behalf of all of them. Such designated representative must be either one of the interested parties who submitted the comment or a person described in paragraph (e)(6)(i), (ii) or (iii) of § 601.201 of this chapter (Statement of Procedural Rules). If one person is not designated in the comment as the representative for receipt of correspondence, a notice of determination mailed to any interested party who submitted the comment shall be notice to all the interested parties who submitted the comment for purposes of section 7476(b)(5).

2. Section 301.7451 is amended to read as follows:

§ 301.7451 Statutory provisions; fee for filing petitions.

Sec. 7451. *Fee for filing petition.* The Tax Court is authorized to impose a fee in an amount not in excess of \$10 to be fixed by the Tax Court for the filing of any petition for the redetermination of a deficiency or for a declaratory judgment under part IV of this subchapter.

[Sec. 7451 as amended by sec. 1041(b)(1), Employee Retirement Income Security Act 1974 (88 Stat. 949)]

3. Section 301.7459 is amended by revising section 7459(c) and by adding a historical note. These provisions read as follows:

§ 301.7459 Statutory provisions: reports and decisions.

Sec. 7459. Reports and decisions. * * *

(c) *Date of decision.* A decision of the Tax Court (except a decision dismissing a proceeding for lack of jurisdiction) shall be held to be rendered upon the date that an order specifying the amount of the deficiency is entered in the records of the Tax Court, or in the case of a declaratory judgment proceeding under part IV of this subchapter, the date of the court's order entering the decision. If the Tax Court dismisses a proceeding for reasons other than lack of jurisdiction and is unable from the record to determine the amount of the deficiency determined by the Secretary or his delegate, or if the Tax Court dismisses a proceeding for lack of jurisdiction, an order to that effect shall be entered in the records of the Tax Court, and the decision of the Tax Court shall be held to be rendered upon the date of such entry.

[Sec. 7459 as amended by sec. 1041(b)(2), Employee Retirement Income Security Act 1974 (88 Stat. 949)]

4. The following sections are added immediately after § 301.7474:

DECLARATORY JUDGMENTS RELATING TO QUALIFICATION OF CERTAIN RETIREMENT PLANS

§ 301.7476 Statutory provisions: declaratory judgments.

Sec. 7476. Declaratory judgments—(a) *Creation of remedy.* In a case of actual controversy involving—

(1) A determination by the Secretary or his delegate with respect to the initial qualification or continuing qualification of a retirement plan under subchapter D of chapter 1, or

(2) A failure by the Secretary or his delegate to make a determination with respect to—

(A) Such initial qualification, or

(B) Such continuing qualification if the controversy arises from a plan amendment or plan termination, upon the filing of an appropriate pleading, the United States Tax Court may make a declaration with respect to such initial qualification or continuing qualification. Any such declaration shall have the force and effect of a decision of the Tax Court and shall be reviewable as such.

(b) *Limitations.*—(1) *Petitioner.* A pleading may be filed under this section only by a petitioner who is the employer, the plan administrator, an employee who has qualified under regulations prescribed by the Secretary or his delegate as an interested party for purposes of pursuing administrative remedies within the Internal Revenue Service, or the Pension Benefit Guaranty Corporation.

(2) *Notice.* For purposes of this section, the filing of a pleading by any petitioner may be held by the Tax Court to be premature, unless the petitioner establishes to the satisfaction of the court that he has complied with the requirements prescribed by regulations of the Secretary or his delegate with respect to notice to other interested parties of the filing of the request for a determination referred to in subsection (a).

(3) *Exhaustion of administrative remedies.* The Tax Court shall not issue a declaratory judgment or decree under this section in any proceeding unless it determines that the petitioner has exhausted administrative remedies available to him within the Internal Revenue Service. A petitioner shall not be deemed to have exhausted his administrative remedies with respect to a failure by the Secretary or his delegate to make a determination with respect to initial qualification or

continuing qualification of a retirement plan before the expiration of 270 days after the request for such determination was made.

(4) *Plan put into effect.* No proceeding may be maintained under this section unless the plan (and, in the case of a controversy involving the continuing qualification of the plan because of an amendment to the plan, the amendment) with respect to which a decision of the Tax Court is sought has been put into effect before the filing of the pleading. A plan or amendment shall not be treated as not being in effect merely because under the plan the funds contributed to the plan may be refunded if the plan (or the plan as so amended) is found to be not qualified.

(5) *Time for bringing action.* If the Secretary or his delegate sends by certified or registered mail notice of his determination with respect to the qualification of the plan to the persons referred to in paragraph (1) (or, in the case of employees referred to in paragraph (1), to any individual designated under regulations prescribed by the Secretary or his delegate as a representative of such employee), no proceeding may be initiated under this section by any person unless the pleading is filed before the ninety-first day after the day after such notice is mailed to such person (or to his designated representative, in the case of an employee).

(c) *Commissioners.* The chief judge of the Tax Court may assign proceedings under this section to be heard by the commissioners of the court, and the court may authorize a commissioner to make the decision of the court with respect to such proceeding, subject to such conditions and review as the court may by rule provide.

(d) *Retirement plan.* For purposes of this section, the term "retirement plan" means—

(1) A pension, profit-sharing, or stock bonus plan described in section 401(a) or a trust which is part of such a plan,

(2) An annuity plan described in section 403(a), or

(3) A bond purchase plan described in section 405(a).

(e) *Cross reference.* For provisions concerning intervention by Pension Benefit Guaranty Corporation and Secretary of Labor in actions brought under this section and right of Pension Benefit Guaranty Corporation to bring action, see section 3001(c) of subtitle A of title III of the Employee Retirement Income Security Act of 1974.

[Sec. 7476 as added by sec. 1041(a), Employee Retirement Income Security Act 1974 (88 Stat. 949)]

§ 301.7476-1 Declaratory judgments.

See the regulations under section 7476 contained in Part 1 of this chapter (Income Tax Regulations) for provisions relating to declaratory judgments, for provisions relating to the qualification of an employee as an "interested party", and for a requirement that the applicant for an advance determination by the Internal Revenue Service of the qualification of certain retirement plans give notice of such application to interested parties.

5. Section 301.7482 is amended by revising section 7482 (b) (1) and (c) and by adding a historical note. These provisions read as follows:

§ 301.7482 Statutory provisions: courts of review.

Sec. 7482. Courts of review. * * *

(b) *Venue.*—(1) *In general.* Except as otherwise provided in paragraph (2), such decisions may be reviewed by the United

States Court of Appeals for the circuit in which is located—

(A) In the case of a petitioner seeking redetermination of tax liability other than a corporation, the legal residence of the petitioner,

(B) In the case of a corporation seeking redetermination of tax liability, the principal place of business or principal office or agency of the corporation, or, if it has no principal place of business or principal office or agency in any judicial circuit, then the office to which was made the return of the tax in respect of which the liability arises, or

(C) In the case of a person seeking a declaratory decision under section 7476, the principal place of business, or principal office or agency of the employer.

If for any reason subparagraph (A), (B) and (C) do not apply then such decisions may be reviewed by the Court of Appeals for the District of Columbia. For purposes of this paragraph, the legal residence, principal place of business, or principal office or agency referred to herein shall be determined as of the time the petition seeking redetermination of tax liability was filed with the Tax Court or as of the time the petition seeking a declaratory decision under section 7476 was filed with the Tax Court.

(c) *Powers.*—(1) *To affirm, modify, or reverse.* Upon such review, such courts shall have power to affirm or, if the decision of the Tax Court is not in accordance with law, to modify or to reverse the decision of the Tax Court, with or without remanding the case for a rehearing, as justice may require.

(2) *To make rules.* Rules for review of decision of the Tax Court shall be those prescribed by the Supreme Court under section 2072 of title 28 of the United States Code.

(3) *To require additional security.* Nothing in section 7483 shall be construed as relieving the petitioner from making or filing such undertakings as the court may require as a condition of or in connection with the review.

(4) *To impose damages.* The United States Court of Appeals and the Supreme Court shall have power to impose damages in any case where the decision of the Tax Court is affirmed and it appears that the notice of appeal was filed merely for delay.

[Sec. 7482 as amended by sec. 3(c), Act of Nov. 2, 1966 (Pub. Law 89-713, 80 Stat. 1107, sec. 960(h), Tax Reform Act 1969 (83 Stat. 734); sec. 1041(b)(3), Employee Retirement Income Security Act 1974 (88 Stat. 949)]

(This Treasury decision is issued under the authority contained in sections 7476 and 7805 of the Internal Revenue Code of 1954 (88 Stat. 949 and 68A Stat. 917; 26 U.S.C. 7476 and 7805).)

DONALD C. ALEXANDER,
Commissioner of Internal Revenue.

Approved: May 17, 1976.

CHARLES M. WALKER,
Assistant Secretary
of the Treasury.

[FR Doc. 79-14967 Filed 5-20-76; 8:45 am]

SUBCHAPTER H—INTERNAL REVENUE PRACTICE

PART 601—STATEMENT OF PROCEDURAL RULES

Miscellaneous Amendments; Correction
This document previously appeared in the issue for May 11, 1976, at 41 FR

19214. Inadvertently, several errors appeared and the document is being republished to read as set forth below.

JAMES F. DRING,
Director, Legislation and
Regulations Division.

Preamble. This document contains miscellaneous amendments to the Statement of Procedural Rules (26 CFR Part 601) which was last amended on August 1, 1975 (40 F.R. 32322).

The Statement of Procedural Rules sets forth the procedural rules of the Internal Revenue Service respecting all taxes administered by the Service.

The amendments to the Statement of Procedural Rules contained in this document are adopted by this document. A discussion of the most significant of these amendments follows:

Paragraph (c) (2) (iv) of § 601.105 is revised to provide that in field audit cases involving an amount in excess of \$2,500 for any year, when the nature or complexity of the unagreed issues is such that original consideration by the Appellate Division would result in the more expeditious resolution of the case, taxpayers will be invited to request initial consideration by the regional Appellate Division.

Paragraph (c) (5) of § 601.105 is amended to provide that District conferees are authorized to consider and accept settlement proposals by taxpayers, subject to certain approval, where the amount involved does not exceed \$2,500 for any year.

A new paragraph (1) is added to § 601.105 which sets forth procedures under which district Audit Divisions may dispose of cases defined by the Tax Court as "small tax cases". Under these procedures, the district Audit Division has up to 60 days from the date on which the petition is served to resolve the issues of the "small tax case". If the case has not been resolved within that time, it will be referred to the Appellate Division for disposition.

Paragraphs (a) (1) and (2) of § 601.106 are amended to clarify the jurisdiction and authority of the Appellate Division.

A new sentence is added to paragraph (a) (3) of § 601.106 to reflect the revocation of the Appellate Division's jurisdiction over cases involving determinations and/or related excise taxes involving employee plans and exempt organizations. This appeals function is now conducted by the Office of the Assistant Commissioner (Employee Plans and Exempt Organizations).

Paragraph (e) (8) of § 601.201 is amended to provide that if a request for a ruling or opinion letter is lacking essential information, the taxpayer or his representative will be advised that if the information is not forthcoming within a reasonable time, generally 30 days, the request will be closed by issuing a closing letter. If the information is received after mailing the closing letter, the request will be reopened and treated as a new request as of the date of the receipt of the essential information. Priority treatment of such request will be granted only in rare cases upon the approval of the appropriate Division Director.

The revisions of paragraphs (e) (11) and (e) (12) of § 601.201 reflect a realignment of the areas of responsibility of the Individual and Corporation Tax Divisions within the Office of Assistant Commissioner (Technical).

A new paragraph (t) is added to § 601.201 to set forth procedures under which a taxpayer may apply for approval to use an alternative method of depletion when computing gross income from mining.

Paragraph (a) of § 601.204 is amended to permit the filing of consents to changes in accounting periods, on Form 1128, with the Director of the Internal Revenue Service Center in whose district the taxpayer files his return.

The revision of paragraph (a) (2) (ii) of § 601.402 reflects changes in section 4161 of the Code which extended the manufacturers excise tax on recreational equipment to bows and arrows sold on or after January 1, 1975.

A reference to "foreign cars" is deleted from paragraph (e) (3) of § 601.402 to reflect repeal of the manufacturers excise tax on automobiles.

Paragraph (a) (9) of § 601.403 is deleted to reflect the expiration, under section 4911 (d) of the Code, of the Interest Equalization Tax.

Paragraph (b) (1) (ii) of § 601.504 is amended to provide that either the husband or the wife may execute a power of attorney or a tax information authorization for purposes of inspecting a joint income tax return. This conforms to § 301.6103 (a) -1 (c) (1) (iii) of the Regulations on Procedure and Administration (26 CFR 301).

Sections 601.601 and 601.602 are amended to remove all references to alcohol, tobacco, firearms, and explosives rules, regulations, and forms, administered by the Bureau of Alcohol, Tobacco and Firearms. As a result of the addition of subpart D to 27 CFR Part 71 (§§ 71.31 and 71.32) relating to the formulation and publication by the Bureau of Alcohol, Tobacco and Firearms of rules, regulations, and forms (published in the FEDERAL REGISTER on January 17, 1974 (39 F.R. 2090) and effective on February 16, 1974), subpart F of 26 CFR Part 601 (§§ 601.601 and 601.602) has been superseded to the extent that it applied to alcohol, tobacco, firearms, and explosives rules, regulations, and forms administered by the Bureau.

Amendments to the Statement of Procedural Rules. The following amendments are made to Part 601:

Paragraph 1. Section 601.101 is amended by revising the last sentence of paragraph (d).

Par. 2. Section 601.105 is amended as follows:

1. Paragraph (b) (5) (v) (b) is revised by deleting "Income Tax Division or Miscellaneous and Special Provisions Tax Division" from the second sentence and

inserting in lieu thereof "Corporation Tax Division or Individual Tax Division".

2. Paragraph (b) (5) (v) (e) is revised by deleting "Director, Income Tax Division" and inserting in lieu thereof "Director, Corporation Tax Division", and by deleting "Director, Miscellaneous and Special Provisions Tax Division" and inserting in lieu thereof "Director, Individual Tax Division".

3. Paragraph (c) (2) (i) is revised by deleting "a thorough technical and procedural" from the second sentence and inserting in lieu thereof "appropriate".

4. Paragraph (c) (2) (iv) is revised.

5. Paragraph (c) (5) is revised.

6. A new paragraph (1) is added.

Par. 3. Section 601.106 is amended as follows:

1. The sixth sentence in paragraph (a) (1) is deleted.

2. Paragraph (a) (2) (iii) is revised.

3. A new sentence is added after the last sentence in paragraph (a) (3).

4. A new sentence is added immediately after the first sentence in that portion of paragraph (d) (3) (iii) as precedes paragraph (d) (3) (iii) (a).

5. The last sentence in paragraph (d) (3) (iii) (g) is revised.

Par. 4. Section 601.201 is amended as follows:

1. Paragraph (a) (2) is revised by deleting "Directors of the Income Tax Division and the Miscellaneous and Special Provisions Tax Division" from the third sentence and inserting in lieu thereof "Director, Corporation Tax Division and Director, Individual Tax Division".

2. Paragraph (e) (2) is revised.

3. Paragraph (e) (8) is revised by adding three new sentences immediately after the last sentence.

4. Paragraphs (e) (11) and (e) (12) are revised.

5. Paragraph (e) (13) is revised by deleting "Director, Income Tax Division" and inserting in lieu thereof "Director, Corporation Tax Division", and by deleting "Director, Miscellaneous and Special Provisions Tax Division" and inserting in lieu thereof "Director, Individual Tax Division".

6. Paragraph (e) (15) is revised by deleting "Income" from the fourth and fifth sentences and inserting in lieu thereof "Corporation".

7. A new paragraph (t) is added.

Par. 5. Section 601.204 is amended as follows:

1. Paragraph (a) is amended by revising the last sentence and adding three new sentences.

2. Paragraph (b) is amended by revising the last three sentences.

3. Paragraph (c) is amended by revising the last sentence.

Par. 6. Section 601.401 is amended by deleting "\$12,000" from the first sentence in paragraph (d) (1) and inserting in lieu thereof "\$13,200".

Par. 7. Section 601.402 is amended as follows:

1. Paragraph (a) (2) (ii) is revised.

2. Paragraph (e) (3) is amended by deleting "foreign cars," from the first sentence.

Par. 8. Section 601.403 is amended by deleting paragraph (a) (9) and redesignating paragraphs (a) (10) and (a) (11) as paragraphs (a) (9) and (a) (10), respectively.

Par. 9. Section 601.504 is revised by amending paragraph (b) (1) (ii).

Par. 10. Section 601.601 is amended as follows:

1. Paragraph (a) (1) is revised.
2. The phrase "or the Director, as applicable," is deleted from the first sentence of paragraph (a) (2).

3. Paragraphs (d) (2) (iv) (e) and (d) (2) (iv) (f) are deleted, and paragraphs (d) (2) (iv) (g) and (d) (2) (iv) (h) are redesignated as paragraphs (d) (2) (iv) (e) and (d) (2) (iv) (f), respectively.

4. Paragraph (d) (3) is deleted.

Par. 11. Section 601.602 (a) is amended.
§ 601.101 Introduction.

(d) *Application to Bureau of Alcohol, Tobacco and Firearms.* This part sets forth most of the procedural rules for the Bureau of Alcohol, Tobacco and Firearms. However, some of its procedural rules have been transferred to Part 71 of Title 27 of the Code of Federal Regulations (a portion of the Code of Federal Regulations exclusively devoted to alcohol, tobacco, firearms, and explosives matters). As used in this part, the terms "Alcohol, Tobacco, and Firearms Division", "assistant regional commissioner (alcohol, tobacco and firearms)", and "chief special investigator (alcohol, tobacco and firearms)" shall be construed as meaning respectively "Bureau of Alcohol, Tobacco and Firearms", "regional director, Bureau of Alcohol, Tobacco and Firearms", and "special agent-in-charge, Bureau of Alcohol, Tobacco and Firearms". Also, with regard to the administration and enforcement of the laws applicable to distilled spirits, wines, beer, cigars, cigarettes, cigarette papers and tubes, firearms, and explosives, the terms "assistant regional commissioner", "Commissioner", and "Chief Counsel" used in Subpart C of this part, shall be construed as meaning respectively "regional director", "Director", and "Chief Counsel", the Bureau of Alcohol, Tobacco and Firearms. The term "internal revenue region" or "region" when used in connection with documents filed with, or matters handled by, a regional director, shall mean an Alcohol, Tobacco and Firearms Region. The seven ATF regions and their geographical compositions are listed in 27 CFR 71.22 (b) (3) (ii).

§ 601.105 Examination of returns and claims for refund, credit or abatement; determination of correct tax liability.

(b) *Examination of returns.*
(5) *Technical advice from the National Office—*

(v) *Conference in the National Office.*

(b) A taxpayer is entitled, as a matter of right, to only one conference in the

National Office unless one of the circumstances discussed in (c) of this subdivision exists. This conference will usually be held at the branch level in the appropriate division (Corporation Tax Division or Individual Tax Division) in the office of the Assistant Commissioner (Technical), and will usually be attended by a person who has authority to act for the branch chief. In appropriate cases the examining officer may also attend the conference to clarify the facts in the case. If more than one subject is discussed at the conference, the discussion constitutes a conference with respect to each subject. At the request of the taxpayer or his representative, the conference may be held at an earlier stage in the consideration of the case than the Service would ordinarily designate. A taxpayer has no "right" of appeal from an action of a branch to the director of a division or to any other National Office official.

(e) A taxpayer or his representative desiring to obtain information as to the status of his case may do so by contacting the following offices with respect to matters in the areas of their responsibility:

Official:	Telephone numbers, (area code 202)
Director, Corporation Tax Division	964-4504 or 964-4505.
Director, Individual Tax Division	964-3767 or 964-3788.

(c) *District conference procedure—*

(2) *Field audit.* (i) If, at the conclusion of an examination, the taxpayer does not agree with the adjustments proposed by the examining officer, a complete examination report will be prepared fully explaining all proposed adjustments. Before the report or any invitation to a district Audit Division conference is sent to the taxpayer, the case file will be submitted to the district Review Staff for appropriate review. Following such review, the taxpayer will receive a copy of the examination report under cover of a transmittal letter (30-day letter) providing him with a detailed explanation of the available appeal procedure and requesting the taxpayer to inform the district director of his choice of action.

(iv) In cases involving proposed additional tax, proposed overassessment, or claimed refund in excess of \$2,500 for any year, when the nature or complexity of the unagreed issues is such that original consideration by the Appellate Division would result in the more expeditious resolution of the case, taxpayers will be invited to request initial consideration by the regional Appellate Division.

(5) *Settlement authority.* District conferees are authorized to consider and accept settlement proposals by taxpayers, subject to approval of Chief, Conference

Staff, Section Chief (Conference Staff), or Chief, Technical Branch (except in Manhattan District), as appropriate, in field and office audit cases when the total amount of proposed additional tax, proposed overassessment, or claimed refund does not exceed \$2,500 for any year. This authority includes the right to settle issues on a basis favorable to the taxpayer even though contrary to nonacquiescence in court decisions, revenue rulings, or interpretations of the Service as set forth in ruling letters issued to, or technical advice memorandums concerning, the taxpayer whose case is being considered by the district conferee.

(1) *Small Tax Court case referred to district Audit Divisions.* In a "small tax case" (as defined in Rule 171 of the Rules of Practice and Procedure of the U.S. Tax Court) in which a district director has issued the statutory notice of deficiency, the district Audit Division (unless regional counsel decides otherwise) attempts to resolve the case after service of the petition and before referral of the case to the Appellate Division. If possible, a conference will be arranged with petitioner in an attempt to resolve the issues of the case without trial. If the case has not been resolved within 60 days after the date of service of the petition (but not later than receipt of notification of placing the case on the trial calendar), it will be referred to the Appellate Division for disposition. A "small tax case" will also be referred to the Appellate Division for disposition in the event the district Audit Division determines that its efforts to resolve the case would be unavailing, that the petition was not timely filed, that the petition does not result from a statutory notice of deficiency, that the petition is not on behalf of all taxpayers involved in the notice, or that the petition does not cover all taxable years involved in the notice.

§ 601.106 Appellate functions.

(a) *General.* (1) There is provided in each region an Appellate Division with office facilities within the region. Unless they otherwise specify, taxpayers living outside the United States use the facilities of the Washington, D.C., branch office of the Appellate Division of the Mid-Atlantic Region. Subject to the limitations set forth in subparagraphs (2) and (3) of this paragraph, the Commissioner has delegated to certain officers of the Appellate Division of each region authority to represent the regional commissioner in his exclusive and final authority for the determination of Federal income, profits, estate, gift, or Chapter 42 tax liability (whether before or after the issuance of a statutory notice of deficiency) and for the determination of employment or certain Federal excise tax liability, in any case originating in the office of any district director situated in the region or in any case in which jurisdiction has been transferred to the region, in which the taxpayer requests Appellate consideration and submits a written protest, when required, to the

determination of liability made by that officer. A written protest is required if the total amount of proposed additional tax, proposed over-assessment, or claimed refund exceeds \$2,500 for any taxable period; or in an offer-in-compromise, if the tax, penalty, and assessed (but not accrued) interest sought to be compromised exceeds \$2,500 for any taxable period. A written protest is also required if no district conference is held regardless of the amount involved. If the statutory notice of deficiency was issued by a district director or the Director of International Operations, the Appellate Division may waive jurisdiction to the director who issued the statutory notice during the 90-day (or 150-day) period for filing petition with the Tax Court, except where criminal prosecution has been recommended and not finally disposed of or the statutory notice includes the ad valorem fraud penalty. After the filing of a petition in the Tax Court the Appellate Division continues to have exclusive jurisdiction of the case, subject to the provisions of subparagraph (2) of this paragraph. Subject to the exceptions and limitations set forth in subparagraph (2) of this paragraph, there is also vested in the Appellate Division of the region authority to represent the regional commissioner in his exclusive authority to settle (i) all cases docketed in the U.S. Tax Court and designated for trial at any place within the territory comprising the region and (ii) all docketed cases originating in the office of any district director situated within the region or in which jurisdiction has been transferred to the region, which are designated for trial at Washington, D.C., unless the petitioner resides in and his books and records are located or can be made available in the region which includes Washington, D.C.

(2) * * *

(iii) Eliminate the ad valorem fraud penalty in any case under jurisdiction of the Appellate Division in which the penalty has been determined by the district office in connection with a tax year or period, or which is related to or affects such year or period, for which criminal prosecution against the taxpayer (or a related taxpayer involving the same transaction) has been recommended to the Department of Justice for willful attempt to evade or defeat tax, or for willful failure to file a return, except upon the recommendation or concurrence of the regional counsel; nor

(3) The authority vested in the Appellate Division does not extend to the determination of liability for any excise tax imposed by the following chapters of the 1954 Code (and the corresponding provisions of the 1939 Code): chapter 35 (relating to wagering); subchapter A of chapter 39 (relating to narcotic drugs and marihuana); subtitle E (relating to alcohol, tobacco, machine guns and certain other firearms); and subchapter D of chapter 78 (relating to certain import taxes) insofar as it relates to alcohol and tobacco. The authority vested in the Appellate Division also does not extend

tend to determinations and/or related excise taxes involving employee plans and exempt organizations under the Employee Retirement Income Security Act of 1974.

(d) *Disposition and settlement of cases before the Appellate Division.* * * *

(3) *Cases docketed in the Tax Court.* * * *

(iii) If the deficiency notice in a case docketed in the Tax Court was not issued by the Appellate Division and no recommendation for criminal prosecution is pending, the case will be referred by the regional counsel to the Appellate Division for settlement as soon as it is at issue in the Tax Court. However, see § 601.105(1) for "small tax case" procedure before case is referred to Appellate Division. The settlement procedure shall be governed by the following rules:

(g) Upon receipt of the trial calendar, the regional counsel will address an appropriate letter to the taxpayer in each case on the calendar which has not been settled, or where the file has been retained by the Appellate Division, or in which the parties are not then negotiating a stipulation of facts. This letter will arrange or suggest a conference at an early date for the purpose of stipulating facts, as required by Rule 91 of the Rules of Practice and Procedure of the U.S. Tax Court, to clarify and, if possible, limit the issues.

§ 601.201 *Rulings and determination letters.*

(a) *General practice and definitions.*

(2) A "ruling" is a written statement issued to a taxpayer or his authorized representative by the National Office which interprets and applies the tax laws to a specific set of facts. Rulings are issued only by the National Office. The issuance of rulings is under the general supervision of the Assistant Commissioner (Technical) and has been largely re delegated to the Director, Corporation Tax Division and Director, Individual Tax Division. (See § 601.328 for rulings issued by the Bureau of Alcohol, Tobacco, and Firearms.)

(e) *Instructions to taxpayers.* * * *

(2) Each request for a ruling or a determination letter must contain a complete statement of all relevant facts relating to the transaction. Such facts include names, addresses, and taxpayer identifying numbers of all interested parties; the location of the district office that has or will have audit jurisdiction over the return or report of each party; a full and precise statement of the business reasons for the transaction; and a carefully detailed description of the transaction. In addition, true copies of all contracts, wills, deeds, agreements, instruments, and other documents involved in the transaction must be submitted with

the request. However, relevant facts reflected in documents submitted must be included in the taxpayer's statement and not merely incorporated by reference, and must be accompanied by an analysis of their bearing on the issue or issues, specifying the pertinent provisions. (The term "all interested parties" is not to be construed as requiring a list of all shareholders of a widely held corporation requesting a ruling relating to a reorganization, or a list of employees where a large number may be involved in a plan.) The request must contain a statement whether, to the best of the knowledge of the taxpayer or his representative, the identical issue is being considered by any field office of the Service in connection with an active examination or audit of a tax return of the taxpayer already filed or is being considered by a branch office of the Appellate Division. Where the request pertains to only one step of a larger integrated transaction, the facts, circumstances, etc., must be submitted with respect to the entire transaction. If the request is for an advance ruling under section 367 of the Code, see Revenue Procedure 68-23, 1968-1 C.B. 821. (Revenue Procedure 68-23 contains guidelines for taxpayers and their representatives in connection with requests for rulings under section 367.) If the request is for a ruling under section 351 of the Code, see Revenue Procedure 73-10, 1973-1 C.B. 760, and Revenue Procedure 69-19, 1969-2 C.B. 301. (Revenue Procedure 73-10 sets forth the information to be included in the request for a ruling under section 351, and Revenue Procedure 69-19 sets forth the conditions and circumstances under which an advance ruling will be issued under section 367 of the Code that an agreement which purports to furnish technical know-how in exchange for stock is a transfer of property within the meaning of section 351.) If the request is for a ruling under section 332, 334 (b) (1), or 334 (b) (2) of the Code, see Revenue Procedure 73-17, 1973-2 C.B. 465. (Revenue Procedure 73-17 sets forth the information to be included in the request for a ruling under section 332, 334(b)(1), or 334(b)(2).) If the request is for a ruling under section 302 or section 311, see Revenue Procedure 73-35, 1973-2 C.B. 490. (Revenue Procedure 73-35 sets forth the information to be included in the request for a ruling under sections 302 and 311.) If the request is for a ruling under section 346 (and its related sections, 331 and 336), see Revenue Procedure 73-36, 1973-2 C.B. 496. (Revenue Procedure 73-36 sets forth the information to be included in the request for a ruling under section 346, and its related sections, 331 and 336.) Original documents should not be submitted because documents and exhibits become a part of the Internal Revenue Service file which cannot be returned. If the request is with respect to a corporate distribution, reorganization, or other similar or related transaction, the corporate balance sheet nearest the date of the transaction should be sub-

mitted. (If the request relates to a prospective transaction, the most recent balance sheet should be submitted.)

(8) Any request for a ruling or an opinion or determination letter that does not comply with all the provisions of this paragraph will be acknowledged, and the requirements that have not been met will be pointed out. A request for a ruling or opinion letter addressed to the district director that does not comply with the provisions of this paragraph will be returned by the district director for completion prior to sending it to the National Office. If a request for a ruling or opinion letter addressed to the Commissioner of Internal Revenue is lacking essential information, the taxpayer or his representative will be advised that if the information is not forthcoming within a reasonable time, generally 30 days, the request will be closed by issuing a closing letter. If the information is received after mailing the closing letter, the request will be reopened and treated as a new request as of the date of the receipt of the essential information. Priority treatment of such request will be granted only in rare cases upon the approval of the Division Director.

(11) The Director, Corporation Tax Division, has responsibility for issuing rulings in areas involving the application of Federal income tax to taxpayers; those involving income tax conventions or treaties with foreign countries; those involving depreciation, depletion, and valuation issues; and those involving the taxable status of exchanges and distributions in connection with corporate reorganizations, organizations, liquidations, etc.

(12) The Director, Individual Tax Division, has responsibility for issuing rulings with respect to the application of Federal income tax to taxpayers (including individuals, partnerships, estates and trusts); areas involving the application of Federal estate and gift taxes including estate and gift tax conventions or treaties with foreign countries; areas involving certain excise taxes; the provisions of the Internal Revenue Code dealing with procedure and administration; and areas involving employment taxes.

(13) A taxpayer or his representative desiring to obtain information as to the status of his case may do so by contacting the following offices with respect to matters in the areas of their responsibility:

		Telephone numbers (area code 202)
Official:		
Director, Corporation Tax Division	-----	964-4504 or 964-4505.
Director, Individual Tax Division	-----	964-3767 or 964-3788.

(15) The taxpayer may, within 90 days after receipt of an adverse ruling letter under section 367 of the Code, protest the adverse determination by letter to the Assistant Commissioner (Technical). The Assistant Commissioner (Technical) will establish an ad hoc advisory board to consider each protest. The Assistant Commissioner will not be a member of the board but will be present at any conference granted. Neither the Director, Corporation Tax Division, the Chief, Reorganization Branch, nor any member of their staffs will be a member of the board. However, the Director, Corporation Tax Division, and Chief, Reorganization Branch, will be either present or represented at any conference granted. The board will consider all materials submitted in writing by the taxpayer and oral arguments presented at the conference. Whether or not a conference is granted, all protests will be considered by the board, which will make its recommendation to the Assistant Commissioner (Technical) for his decision. The specific procedures to be used by a taxpayer in protesting an adverse ruling letter under section 367 of the Code will be published from time to time in the Internal Revenue Bulletin (see, for example, Rev. Proc. 73-5, 1973-1 C.B. 751).

(b) *Alternative method of depletion.*—

(1) *In general.* Section 1.613-4(d) (1) (i) of the regulations, adopted by T.D. 7170, March 10, 1972, provides that in those cases where it is impossible to determine a representative market or field price under the provisions of § 1.613-4(c), gross income from mining shall be computed by use of the proportionate profits method set forth in § 1.613-4(d) (4).

(2) *Exception.* An exception is provided in § 1.613-4(d) (1) (ii) where, upon application, the Office of the Assistant Commissioner (Technical) approves the use of an alternative method that is more appropriate than the proportionate profits method or the alternative method being used by the taxpayer.

(3) *Procedure.* The procedure for making application for approval to compute gross income from mining by use of an alternative method, other than the proportionate profits method; the conditions for approval and use of an alternative method; changes in an approved method; and other pertinent information with respect thereto, will be published from time to time in the Cumulative Bulletin (see, for example, Rev. Proc. 74-43, 1974-2 C.B. 496).

§ 601.204 Changes in accounting periods and in methods of accounting.

(a) *Accounting periods.* A taxpayer who changes his accounting period shall, before using the new period for income tax purposes, comply with the provisions of the income tax regulations relating to changes in accounting periods. In cases where the regulations require the tax-

payer to secure the consent of the Commissioner to the change, the application for permission to change the accounting period shall be made on Form 1128 and shall be submitted to the Commissioner of Internal Revenue, Washington, D.C. 20224, within the period of time prescribed in such regulations. See section 442 of the Code and regulations thereunder. If the change is approved by the Commissioner, the taxpayer shall thereafter make his returns and compute his net income upon the basis of the new accounting period. A request for permission to change the accounting period will be considered by the Corporation Tax Division. However, in certain instances, Form 1128 may be filed with the Director of the Internal Revenue Service Center in which the taxpayer files its return. See, for example, Rev. Proc. 66-13, 1966-1 C.B. 626; Rev. Proc. 66-50, 1966-2 C.B. 1260, and Rev. Proc. 68-41, 1968-2 C.B. 943. With respect to partnership adoptions, see § 1.706-1(b) of the Income Tax Regulations.

(b) *Methods of accounting.* A taxpayer who changes the method of accounting employed in keeping his books shall, before computing his income upon such method for purposes of income taxation, comply with the provisions of the income tax regulations relating to changes in accounting methods. The regulations require that, in the ordinary case, the taxpayer secure the consent of the Commissioner to the change. See section 446 of the Code and the regulations thereunder. Application for permission to change the method of accounting employed shall be made on Form 3115 and shall be submitted to the Commissioner of Internal Revenue, Washington, D.C., 20224, within 180 days after the beginning of the taxable year in which it is desired to make the change. Permission to change the method of accounting will not be granted unless the taxpayer and the Commissioner agree to the terms and conditions under which the change will be effected. The request will be considered by the Corporation Tax Division. However, in certain instances, Form 3115 may be filed with the Director of the Internal Revenue Service Center. See, for example, Rev. Proc. 74-11, 1974-1 C.B. 420.

(c) *Verification of changes.* Written permission to a taxpayer by the National Office consenting to a change in his annual accounting period or to a change in his accounting method is a "ruling". Therefore, in the examination of returns involving changes of annual accounting periods and methods of accounting, district directors must determine whether the representations upon which the permission was granted reflect an accurate statement of the material facts, and whether the agreed terms, conditions, and adjustments have been substantially carried out as proposed. An application, Form 3115, filed with the Director of the Internal Revenue Service Center is also subject to similar verification.

§ 601.401 Employment taxes.

(d) *Special refunds of employee social security tax.* (1) * An employee who receives wages from more than one employer during a calendar year may, under certain conditions, receive a "special refund" of the amount of employee social security tax (i.e., employee tax under the Federal Insurance Contributions Act) deducted and withheld from wages that exceed the following amounts: calendar years 1968 through 1971, \$7,800; calendar year 1972, \$9,000; calendar year 1973, \$10,800; calendar year 1974, \$13,200; calendar years after 1974, an amount equal to the contribution and benefit base (as determined under section 230 of the Social Security Act) effective with respect to that year. An employee who is entitled to a special refund of employee tax with respect to wages received during a calendar year, and who is required to file an income tax return for such calendar year (or for his last taxable year beginning in such calendar year), may obtain the benefits of such special refund only by claiming credit for such special refund on such income tax return in the same manner as if such special refund were an amount deducted and withheld as income tax at source on wages.

§ 601.402 Sales taxes collected by return.

(a) *General.* Sales taxes collected by return include the following:

(1) The retailers excise taxes, imposed by chapter 31 of the Code, with respect to:

- Diesel fuel;
- Special motor fuels;
- Noncommercial aviation fuel.

(2) The manufacturers excise taxes, imposed by chapter 32 of the Code, with respect to the following items:

(i) *Motor vehicles and related items:* Certain heavy-duty trucks, buses, trailers, truck parts and accessories; tires, tubes, and tread rubber; gasoline and lubricating oil.

(ii) *Recreational equipment:*

- Fishing rods, creels, and reels;
- Artificial lures, baits and flies;
- Bows and arrows;
- Pistols and revolvers;
- Other firearms, shells, and cartridges.

(c) *Registration and bonding requirements.* *

(3) Every importer of trucks, buses, etc., taxable under chapter 32 of the Code must make application to the district director for the district in which he will file returns of the tax for

* This sentence, as unchanged, was inserted in § 601.401(d)(1) in lieu of the first two sentences (in brackets) by an amendment published in the Federal Register on March 7, 1974, and does not yet appear in the bound volume of the Code of Federal Regulations. As indicated, the current amendments change the \$12,000 amount in this sentence to \$13,200.

a determination whether he is required to give bond securing the payment of the tax on his sales of such commodities. Detailed instructions as to the information required to be included in the application and the procedure to be followed by the importer are set forth in the applicable regulations. Form 3006 has been prescribed for the convenience of importers and may be obtained from the district director.

§ 601.403 Miscellaneous excise taxes collected by return.

(a) *General.* Miscellaneous excise taxes collected by return include the following:

(9) *Hydraulic mining.* The act entitled "An Act to create the California Debris Commission and regulate hydraulic mining in the State of California," approved March 1, 1893, as amended (33 U.S.C. 661-687), imposes a tax with respect to certain hydraulic gold mining in the State of California.

(10) *Investment income.* Under chapter 42 of the Code a tax of 4 percent is imposed each taxable year on the net investment income of a domestic private foundation which is exempt from tax under section 501(a).

§ 601.504 Requirement for execution, attestation, acknowledgment or witnessing, and certification of copies, of power of attorney and tax information authorization.

(b) *Execution of a power of attorney or a tax information authorization—(1) Ordinary cases.* A power of attorney or a tax information authorization must be executed as follows:

(ii) *Husband and wife.* In the case of any taxable year for which a joint return was made by husband and wife, by both husband and wife except that either spouse may sign for the other if such signature is duly authorized in writing by the other spouse; however, an execution of a power of attorney or a tax information authorization for purposes of inspecting a joint income tax return may be made by either the husband or the wife. See § 301.6103 (a)-(1) (c) (iii) of the Regulations on Procedure and Administration (26 CFR Part 301).

§ 601.601 Rules and regulations.

(a) *Formulation.* (1) Internal revenue rules take various forms. The most important rules are issued as regulations and Treasury decisions prescribed by the Commissioner and approved by the Secretary or his delegate. Other rules may be issued over the signature of the Commissioner or the signature of any other official to whom authority has been delegated. Regulations and Treasury decisions are prepared in the Office of the Chief Counsel. After approval by the Commissioner, regulations and Treasury decisions are forwarded to the Secretary or his delegate for further consideration and final approval.

(2) Where required by 5 U.S.C. 553 and in such other instances as may be desirable, the Commissioner publishes in the FEDERAL REGISTER general notice of proposed rules (unless all persons subject thereto are named and either personally served or otherwise have actual notice thereof in accordance with law). This notice includes (i) a statement of the time, place, and nature of public rule-making proceedings; (ii) reference to the authority under which the rule is proposed; and (iii) either the terms or substance of the proposed rule or a description of the subjects and issues involved.

(d) *Publication of rules and regulations.* *

(2) *Objectives and standards for publications of Revenue Rulings and Revenue Procedures in the Internal Revenue Bulletin.* *

(iv) *

(e) *Informers and informers' rewards;*

(f) *Disclosure of secret formulas, processes, business practices, and other similar information.*

§ 601.602 Forms and instructions.

(a) *Tax return forms and instructions.* Forms and instructions are developed by the Internal Revenue Service to explain the requirements of the internal revenue laws and regulations administered by the Internal Revenue Service and are issued for the assistance of taxpayers in exercising their rights and discharging their duties under the internal revenue laws. All internal revenue taxes which are not collected by stamps are assessed and collected through the self-determination and self-application of the law and the regulations by taxpayers. The tax return forms are the instruments through which this is accomplished.

(b) *Other forms and instructions.* In addition to the forms and instructions for the return of internal revenue taxes, the Internal Revenue Service provides other necessary or appropriate forms for assisting the public in complying with the technical requirements of the internal revenue laws and regulations administered by the Internal Revenue Service. The material contained in the forms and instructions, and the arrangements thereof, is carefully considered and is designed to lead the taxpayer step-by-step through an orderly accumulation of data to an accurate report of the information required.

(c) *Procurement of forms and instructions.* Copies of all necessary forms, and instructions as to their preparation and filing, may be obtained from district directors or directors of service centers. Descriptions of many of the forms and publications of the Internal Revenue Service for public use are contained in Publication No. 481, *Description of Principal Federal Tax Returns, Related Forms, and Publications* and Publication 676, *Catalogue of Forms, Form Letters, Notices*. Publication Nos. 481 and 676 may be purchased from the Superintendent-

ent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

[FR Doc.76-14973 Filed 5-20-76; 8:45 am]

PART 601—STATEMENT OF PROCEDURAL RULES

Amendments Relating to Determination Letters of Employees' Plans and Trusts

Preamble. This document contains amendments to the Statement of Procedural Rules (26 CFR Part 601). The amendments relate to the renotification of interested parties when an application for determination is resubmitted, and the administrative remedies available to applicants, interested parties, and the Pension Benefit Guaranty Corporation.

Section 601.201 is amended by revising the last sentence of paragraph (c) (3) (xv) and paragraph (c) (11) to read as follows:

§ 601.201 Rulings and determination.

(c) *Employees' trusts or plans.* * * *
(3) *Instruction to taxpayer.* * * *
(xv) * * * If, however, an application is returned to the applicant for failure to adequately satisfy the notification requirement with respect to a particular group or class of interested parties, the applicant need not cause notice to be given to those groups or classes of interested parties with respect to which the notice requirement was already satisfied merely because, as a result of the resubmission of the application, the time limitations of this paragraph (c) (3) (xv) would not be met.

(11) *Exhaustion of administrative remedies.* For purposes of section 7476 (b) (3), a petitioner shall be deemed to have exhausted the administrative remedies available to him in the Internal Revenue Service upon the completion of the steps described in paragraph (c) (11) (i), (ii), or (iii) of this section, subject, however, to paragraphs (c) (11) (iv) and (v) of this section. If an applicant, interested party, or the Pension Benefit Guaranty Corporation does not complete the applicable steps described below, such applicant, interested party, or the Pension Benefit Guaranty Corporation will not have exhausted available administrative remedies as required by section 7476(b) (3) and will thus be precluded from seeking a declaratory judgment under section 7476 except to the extent that paragraph (c) (11) (iv) (b) or (v) of this section applies.

(i) The administrative remedies of an applicant with respect to any matter relating to the qualification of a plan are:

(a) Filing a completed application with the appropriate district director pursuant to paragraphs (c) (3) (iii) through (xii) of this section;

(b) Compliance with the requirements pertaining to notice to interested parties as set forth in paragraphs (c) (3) (xiv) through (c) (3) (xxi) of this section;

(c) An appeal to the Office of the Assistant Regional Commissioner (EP/EO) pursuant to paragraph (c) (6) of this section, in the event of a notice of proposed adverse determination from the district director; and

(d) A request for National Office consideration pursuant to paragraph (c) (7) of this section, in the event the Assistant Regional Commissioner (EP/EO) upholds the proposed adverse determination.

(ii) The administrative remedy of an interested party with respect to any matter relating to the qualification of the plan is submission to the district director of a comment raising such matter in accordance with paragraph (c) (5) (i) (a) of this section or requesting the Department of Labor to submit to the district director a comment with respect to such matter in accordance with paragraph (c) (5) (i) (b) of this section, and, if such department declines to comment, submission of such a comment in accordance with paragraph (c) (5) (i) (c) of this section, so that such comment may be considered by the Internal Revenue Service through the administrative process.

(iii) The administrative remedy of the Pension Benefit Guaranty Corporation with respect to any matter relating to the qualification of the plan is submission to the district director of a comment raising such matter in accordance with paragraph (c) (5) (i) (a) of this section or requesting the Department of Labor to submit to the district director a comment with respect to such matter in accordance with paragraph (c) (5) (i) (b) of this section, and, if such department declines to comment, submission of such a comment to the Internal Revenue Service directly, so that such comment may be considered by the Internal Revenue Service through the administrative process.

(iv) An applicant, or an interested party, or the Pension Benefit Guaranty Corporation shall in no event be deemed to have exhausted his (its) administrative remedies prior to the earlier of:

(a) The completion of all the steps described in paragraph (c) (11) (i), (ii), or (iii) of this section, whichever is applicable, subject, however, to paragraph (c) (11) (v), or

(b) The expiration of the 270 day period described in section 7476(b) (3), in a case where the completion of the steps referred to in paragraph (c) (11) (iv) (a) of this section shall not have occurred before the expiration of such 270 day period because of the failure of the Internal Revenue Service to proceed with due diligence.

The steps described in paragraph (c) (11) (i) (c) and (d) of this section will not be considered completed until the Internal Revenue Service has had a reasonable time to act upon the appeal or request for consideration, as the case may be. In addition, the administrative remedies described in paragraphs (c) (11) (ii) and (iii) will not be considered completed until the Internal Revenue

Service has had a reasonable time to consider the comments submitted pursuant to such paragraphs at each step of the administrative process described in paragraph (c) (11) (i).

(v) The administrative remedies described in paragraphs (c) (11) (i) (c) and (d) of this section will not be available to an applicant with respect to any issue on which technical advice from the National Office has been obtained.

DONALD C. ALEXANDER,
Commissioner.

[FR Doc.76-14966 Filed 5-20-76; 8:45 am]

Title 29—Labor

SUBTITLE A—OFFICE OF THE SECRETARY

PART 97a—JOB CORPS PROGRAM UNDER TITLE IV OF THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

Changes of Titles, Spelling Corrections and Editorial Changes

Notice is hereby given that the Department of Labor, Employment and Training Administration is amending 29 CFR Part 97a—Job Corps Program Under Title IV of the Comprehensive Employment and Training Act. The changes consist of spelling corrections, title changes required by Secretary's Order 14-75 (40 FR 54485) which changed the name of the Manpower Administration to the Employment and Training Administration, and a couple of editorial amendments.

Since none of these changes are substantive in nature, consisting of only spelling corrections, changes of title and editorial amendments, proposed rule-making is not required by the Administrative Procedures Act. This document, therefore, shall become effective by June 21, 1976.

Accordingly, the following changes are made to 29 CFR Part 97a:

1. Throughout the Part, the acronym "MA" is changed to the acronym "ETA".

2. In the table of contents for Part 97a, a spelling correction is made so that the title of § 97a.21 should read: "97a.21 Eligibility for funds and eligible deliverers."

3. In § 97a.10 *Definitions*, all paragraph letters from (a) through (sss) are deleted.

4. In § 97a.10 *Definitions*, the definition of "ARDM" is deleted.

5. In § 97a.10 *Definitions*, following the definition of "Eligible deliverer", the following definition is inserted: "ETA". The Department of Labor, Employment and Training Administration.

6. In § 97a.10 *Definitions*, subparagraph (1) of the definition of "Disruptive home life", the spelling of the word "orphanage" is corrected to read "orphanage".

7. In § 97a.10 *Definitions*, the definition of "MA" is deleted.

8. In § 97a.10 *Definitions*, following the definition of "Region", the following