National Environmental Policy Act (21 CFR Part 25), an action of this type would require an abbreviated environmental assessment under 21 CFR 25.31a(b)(4).

For the supplement to NADA 134–930, the agency has determined under 21 CFR 25.24(d)(1)(i) that this action is of a type that does not individually or cumulatively have a significant effect on the human environment. Therefore, neither an environmental assessment nor an environmental impact statement is required.

List of Subjects in 21 CFR Part 522

Animal drugs.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, Part 522 is amended as follows:

PART 522—IMPLANTATION OR INJECTABLE DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

1. The authority citation for 21 CFR Part 522 continues to read as follows:

Authority: Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)); 21 CFR 5.10 and 5.83.

2. Section 522.850 is amended by revising paragraph (c)(2) to read as follows:

§ 522.850 Estradiol valerate and norgestomet in combination.

* * * * *

(c) * * *

(2) *Indications for use.* For synchronization of estrus/ovulation in cycling beef cattle and non-lactating dairy heifers.

* * * * *

Dated: September 12, 1986.

Marvin A. Norcross,

Associate Director for New Animal Drug Evaluation.

[FR Doc. 86–21337 Filed 9–19–86; 8:45 am]

BILLING CODE 4160–01–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

21 CFR Part 1308

Schedules of Controlled Substances; Placement of 3-Methylfentanyl into Schedule I

AGENCY: Drug Enforcement Administration, Justice.

ACTION: Final rule.

SUMMARY: This final rule is issued by the Administrator of the Drug Enforcement Administration (DEA) to place the narcotic substance, 3-methylfentanyl, into Schedule I of the Controlled Substances Act (CSA) (21 U.S.C. 801 et seq.). This action is based on findings made by the DEA Administrator, after a review and evaluation of the relevant data made by both DEA and the Acting Assistance Secretary of Health, that 3-methylfentanyl meets he statutory criteria for inclusion in Schedule I of the CSA. As a result of this final rule, the regulatory controls and criminal sanctions of Schedule I will be applicable to the manufacture, distribution, importation and exportation of 3-methylfentanyl.

EFFECTIVE DATE: September 22, 1986.

FOR FURTHER INFORMATION CONTACT: Howard McClain, Jr., Chief, Drug Control Section, Drug Enforcement Administration, Washington, DC 20537, Telephone: (202) 633–1366.

SUPPLEMENTARY INFORMATION: 3-Methylfentanyl is an extremely potent analog of the Schedule II synthetic narcotic analgesic fentanyl. Produced in clandestine laboratories, 3-methylfentanyl has been identified in the illicit drug traffic and associated with scores of overdose deaths since early 1984.

Based on the data available to him in early 1985, the DEA Administrator etermined that scheduling 3-methylfentanyl in Schedule I of the CSA, at least on a temporary basis, was necessary to avoid an imminent hazard to the public safety. Therefore, in the Federal Register notice (50 FR 11690–11692) dated March 25, 1985, the DEA Administrator, pursuant to the emergency scheduling provisions of 21 U.S.C. 811(h), placed 3-methylfentanyl into Schedule I of the CSA for one year effective on April 25, 1985. The temporary scheduling of 3-methylfentanyl was extended until October 25, 1986 in a subsequent Federal Register notice (51 FR 15474–15475).

On April 24, 1986, in a notice of proposed rulemaking published in the Federal Register (51 FR 15501–15502), after an independent review by DEA and a scientific and medical evaluation by the Acting Assistant Secretary for Health of the relevant data regarding 3-methylfentanyl, the DEA Administrator proposed to permanently place 3-methylfentanyl into Schedule I of the CSA pursuant to 21 U.S.C. 811. Interested parties were given until May 27, 1986 to submit comments or objections in writing regarding this proposal. DEA received no comments or objections nor were there any requests for a hearing.

Based upon the investigations and review conducted by DEA and upon the scientific and medical evaluation and recommendation of the Acting Assistant Secretary for Health received in accordance with 21 U.S.C. 811(c), the DEA Administrator, pursuant to the provisions of 21 U.S.C. 811 (a) and (b), finds that:

(1) 3-Methylfentanyl has a high potential for abuse;

(2) 3-Methylfentanyl has no currently accepted medical use in treatment in the United States; and

(3) 3-Methylfentanyl lacks accepted safety for use under medical supervision.

The above findings are consistent with the placement of 3-methylfentanyl into Schedule I of the CSA. The Administrator further finds that 3-methylfentanyl is an opiate as defined in 21 U.S.C. 802(18) since it has an addiction-forming and addiction-sustaining liability similar to that of morphine. Consequently, 3-methylfentanyl is a narcotic since the definition of narcotic, as stated in 21 U.S.C. 802(17)(A), includes: "Opium, opiates, derivatives of opium and opiates."

In accordance with 21 U.S.C. 811(h)(5) the emergency scheduling order for 3-methylfentanyl shall be vacated on the effective date of this final rule permanently placing 3-methylfentanyl into Schedule I of the CSA pursuant to 21 U.S.C. 811(a).

Since 3-methylfentanyl is already under temporary control in Schedule I, all regulations applicable to Schedule I narcotic substances will continue to be effective as of September 22, 1986. The current applicable regulations are as follows:

1. *Registration.* Any person who manufacturers, distributes, delivers, imports or exports 3-methylfentanyl, or who engages in research or conducts instructional activities with respect to this substance, or who proposes to engage in such activities, must be registered to conduct such activities in accordance with Parts 1301 and 1311 of Title 21 of the Code of Federal Regulations.

2. *Security.* 3-Methylfentanyl must be manufactured, distributed and stored in accordance with §§ 1301.71–1301.76 of Title 21 of the Code of Federal Regulations.

3. *Labeling and Packaging.* All labels and labeling for commercial containers of 3-methylfentanyl must comply with the requirements of §§ 1302.03–1302.05,

1302.07 and 1302.08 of Title 21 of the Code of Federal Regulations.

4. *Quotas.* All persons required to obtain quotas for 3-methylfentanyl shall submit applications pursuant to §§ 1303.12 and 1303.22 of Title 21 of the Code of Federal Regulations.

5. *Inventory.* Every registrant required to keep records and who possesses any quantity of 3-methylfentanyl shall take an inventory pursuant to §§ 1304.11–1304.19 of Title 21 of the Code of Federal Regulations of all stocks of this substance on hand.

6. *Records.* All registrants required to keep records pursuant to §§ 1304.21–1304.27 of Title 21 of the Code of Federal Regulations shall maintain such records on 3-methylfentanyl.

7. *Reports.* All registrants required to submit reports pursuant to §§ 1304.34–1304.37 of Title 21 of the Code of Federal Regulations shall do so regarding 3-methylfentanyl.

8. *Order Forms.* All registrants involved in the distribution of 3-methylfentanyl must comply with the order form requirements of §§ 1305.01–1305.16 of Title 21 of the Code of Federal Regulations.

9. *Importation and Exportation.* All importation and exportation of 3-methylfentanyl shall be in compliance with Part 1312 of Title 21 of the Code of Federal Regulations.

10. *Criminal Liability.* The Administrator, Drug Enforcement Administration, hereby orders that any activity with respect to 3-methylfentanyl not authorized by, or in violation of, the Controlled Substances Act or the Controlled Substances Import and Export Act shall be unlawful.

Pursuant to 5 U.S.C. 605(b), the Administrator certifies that the placement of 3-methylfentanyl into Schedule I of the Controlled Substances Act will have no impact upon small businesses or other entities whose interests must be considered under the Regulatory Flexibility Act (Pub. L. 96–354). This action involves the permanent control of a substance with no legitimate medical use or manufacture in the United States.

In accordance with the provisions of 21 U.S.C. 811(a), this scheduling action is a formal rulemaking "on the record after opportunity for a hearing." Such formal proceedings are conducted pursuant to the provisions of 5 U.S.C. 556 and 557 and, as such, have been exempted from the consultation requirements of Executive Order 12291 (46 FR 13193).

List of Subjects in 21 CFR Part 1308

Administrative practice and procedure, Drug traffic control, Narcotics, Prescription drugs.

Under the authority vested in the Attorney General by section 201(a) of the CSA (21 U.S.C. 811(a)) and delegated to the Administrator of DEA by Department of Justice Regulations (28 CFR 0.100), the Administrator hereby orders that 21 CFR 1308.11 be amended as follows:

PART 1308—[AMENDED]

1. The authority citation for 21 CFR Part 1308 continues to read as follows:

Authority: 21 U.S.C. 811, 812, 871(b).

2. Section 1308.11 is amended by redesignating the existing paragraphs (b)(31) through (b)(46) as (b)(32) through (b)(47) and adding a new paragraph (b)(31) as follows:

§ 1308.11 Schedule I.

* * * * *

(b) * * *

(31) 3-Methylfentanyl (*N*-[3-methyl-1-(2-phenylethyl)-4-piperidyl]-*N*-phenylpropanamide), 9813

* * * * *

3. Section 1308.11 is amended by removing paragraph (g)(1) and redesignating the existing paragraphs (g)(2) through (g)(13) as (g)(1) through (g)(12).

Dated: September 15, 1986.

John C. Lawn,

Administrator, Drug Enforcement Administration.

[FR Doc. 86–21398 Filed 9–19–86; 8:45 am]

BILLING CODE 4410-09-M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[T.D. 8100]

Income Tax; Taxable Years Beginning After December 31, 1953; OMB Control Numbers Under the Paperwork Reduction Act; Cooperative Hospital Service Organizations

Correction

§ 1.501(e)—1 [Corrected]

In FR Doc. 86–19940 beginning on page 31613 in the issue of Thursday, September 4, 1986, make the following correction: On page 31615, in § 1.501(e)–1(b)(4), in the third column, in the sixteenth line from the bottom, "512(b)(A)(ii)" should read "512(b)(3)(A)(ii)".

BILLING CODE 1505-01-M

26 CFR Parts 46 and 602

[T.D. 8102]

Excise Tax Imposed on the Issuer of Registration-Required Obligation Not in Registered Form

AGENCY: Internal Revenue Service, Treasury.

ACTION: Final regulations.

SUMMARY: This document contains final regulations relating to the excise tax imposed on the issuer or registration-required obligations which are not issued in registered form. This action is necessary because of changes to the applicable law made by the Tax Equity and Fiscal Responsibility Act of 1982. The regulations affect issuers of obligations and provide them with the guidance needed to comply with the law.

DATES: The regulations are generally effective for registration-required obligations not in registered form that are issued after December 31, 1982.

FOR FURTHER INFORMATION CONTACT: Timothy J. McKenna of the Legislation and Regulations Division, Office of Chief Counsel, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224 (Attention: CC:LR:T) (202–566–4336, not a toll-free call).

SUPPLEMENTARY INFORMATION:

Background

On August 22, 1984, the Federal Register published proposed amendments to the Excise Tax Regulations (26 CFR Part 46) under section 4701 of the Internal Revenue Code of 1954 (49 FR 33285). These amendments were proposed to conform the regulations to section 310(b)(4) of the Tax Equity and Fiscal Responsibility Act of 1982 (the Act) (Pub. L. 97–248, 96 Stat. 597). No comments were received. A public hearing was not requested. Accordingly, the proposed amendments are adopted as revised by this Treasury decision.

In General

Section 4701(a) provides that a tax is imposed on any person who issues a registration-required obligation which is not in registered form. The amount of the tax is one percent of the principal amount multiplied by the number of years (including portions thereof) from the date of issuance to the date of maturity. The terms "registration-required obligation" and "registered form" are defined in section 4701(b) as having the same meaning as when used

in section 163(f) relating to the denial of a deduction for interest on certain obligations not in registered form. However, a registration-required obligation does not include any obligation required to be registered under section 103(j). Thus, the tax does not apply to those obligations which would otherwise be exempt from Federal income tax under section 103(a) of any other provision of law. While section 4701 applies generally to obligations issued after December 31, 1982, section 310(d)(3) of the Act also provides that section 4701 does not apply to any obligation issued after December 31, 1982, pursuant to the exercise of a warrant or the conversion of a convertible obligation, if the warrant or convertible obligation was issued before August 10, 1982, and offered or sold outside the United States without registration under the Securities Act of 1933.

In addition, § 46.6011(a)–1(a) relating to the general requirement of making a return, statement or list by a person made liable for any tax imposed by this title, is amended to provide for the filing of Form 720 (Quarterly Federal Excise Tax Return) by those persons liable for the tax under section 4701.

Change in the Regulation

A minor clarification is made in these final regulations under § 46.4701–1(b)(5), relating to the definition of "issuer". The regulations make a cross-reference to § 1.163–5T(d), which generally treats the recipient of the proceeds from the issuance of a pass-through certificate as the issuer of such pass-through certificate. Temporary regulation § 1.163–5T(d) was published in the **Federal Register** on August 20, 1985 (50 FR 33522), along with a cross-referenced notice of proposed rulemaking (50 FR 33552) with respect to which public comments were solicited. When the proposed regulations are published as final regulations, the cross-reference in § 46.4701–1(b)(5) will be revised to refer to those final regulations.

In addition, a new paragraph (b)(7) was added to cross-reference to the definition of "issue price" in section 1273(b).

Regulatory Flexibility Act

Although a notice of proposed rulemaking that solicited public comment was issued, the Internal Revenue Service concluded when the notice was issued that the regulations are interpretative and that the notice and public procedure requirements of 5 U.S.C. 553 did not apply. Accordingly, the final regulations do not constitute regulations subject to the Regulatory Flexibility Act (5 U.S.C. chapter 6).

Executive Order 12291

The Commissioner of Internal Revenue has determined that this final rule is not a major rule as defined in Executive Order 12291 and that a regulatory impact analysis therefore is not required.

Paperwork Reduction Act

The collection of information requirements contained in these regulations have been submitted to the Office of Management and Budget in accordance with the requirements of the Paperwork Reduction Act of 1980. These requirements have been approved by OMB under control number 1545–0023.

Drafting Information

The principal authors of these final regulations are Ada S. Rousso and Timothy J. McKenna of the Legislation and Regulations Division of the Office of Chief Counsel, Internal Revenue Service. However, personnel from other offices of the Internal Revenue Service and Treasury Department participated in developing the regulations, both on matters of substance and style.

List of Subjects

26 CFR Part 46

Banks, Banking, Excise taxes, Insurance, Sugar, Registration-required obligations.

26 CFR Part 602

Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR Parts 46 and 602 are amended as follows:

PART 46—[AMENDED]

Paragraph 1. The authority for Part 46 continues to read in part:

Authority: 26 U.S.C. 7805. * * * Sections 46.6011(a)–1 and 46.6011(a)–2 also issued under 26 U.S.C. 6011. * * *

Par. 2. Section 46.0–1 is amended as follows.

a. Paragraphs (a) (3) and (a)(4) are redesignated as paragraphs (a)(4) and (a)(5), respectively, and a new paragraph (a)(3) is inserted immediately after paragraph (a)(2) to read as set forth below.

b. Paragraph (b) is amended by removing the phrase "Subpart C of this part is reserved," and adding in its place "Subpart C of this part relates to the excise tax imposed by section 4701 on issuers of registration-required obligations not issued in registered form."

§ 46.0–1 Introduction.

(a) * * *

(3) The tax on the issuer of registration-required obligations not issued in registered form imposed by chapter 39 of the Internal Revenue Code of 1954 and * * *

* * * * *

Par. 3. A new Subpart C consisting of § 46.4701–1 is added immediately after § 46.4504–1 to read as set forth below.

Subpart C—Excise Tax on Obligations Not in Registered Form

§ 46.4701–1 Tax on issuer of registration-required obligation not in registered form.

(a) *In general.* Section 4701 imposes a tax (determined under paragraph (c) of this section) on any person (referred to as the issuer) who issues an obligation that—

(1) Is a registration-required obligation, and

(2) Is not issued in registered form.

(b) *Definitions*—(1) *Person.* The term "person" includes all governmental entities.

(2) *Obligation.* The term "obligation" includes bonds debentures, notes, certificates and other evidences of indebtedness regardless of how denominated.

(3) *Registration-required obligation.* The term "registration-required obligation" has the same meaning as when used in section 163(f) (and the regulations thereunder) which relates to the denial of a deduction for interest on certain obligations not in registered form. However, the term "registration-required obligation" does not include any obligation which would otherwise be exempt from Federal income tax under section 103(a) or any other provision of law.

(4) *Registered form.* The term "registered form" has the same meaning as when used in section 103(j) (and the regulations thereunder) which relates to obligations which must be in registered form to be tax-exempt.

(5) *Issuer.* Except as provided in § 1.163–5T (d) (relating to pass-through certificates), the "issuer" is the person whose interest deduction would be disallowed solely by reason of section 163(f)(1).

(6) *Date of Issuance.* (i) For obligations intended to be offered to the public, the term "date of issuance" means the date the obligation is first sold to the public at the issue price.

(ii) For an obligation which is privately placed, the term "date of issuance" is the obligation is first sold by the issuer.

(7) *Issue price.* See section 1273 (b) and the regulations thereunder for the definition of "issue price".

(c) *Rate and computation of tax.* The tax under section 4701(a) is imposed in an amount equal to the product of—

(1) 1 percent of the principal amount of the obligation, multiplied by

(2) The number of calendar years (or portions thereof) during the period beginning on the date of issuance of the obligation and ending on the date of maturity.

For purposes of this paragraph, the term "principal amount" for a discounted obligation is the issue price, and for all other obligations, including obligations sold at a premium, the term "principal amount" is the stated redemption price at maturity.

(d) *Payment of tax.* Every person who incurs liability for the tax imposed by section 4701 is required to file a return in accordance with section 6011 and § 46.6011(a)–1 relating to the general requirement of a return, statement or list.

(e) *Effective date.* The provisions of this section shall apply to obligations issued after December 31, 1982, unless issued on the exercise of a warrant or the conversion of a convertible obligation if the warrant or obligation was offered or sold outside the United States without registration under the Securities Act of 1933 and was issued before August 10, 1982. See section 310(d)(3) of the Tax Equity and Fiscal Responsibility Act of 1982.

§ 46.6011 [Amended]

Par. 4. Section 46.6011(a)–1(a) is amended by removing the phrase "4371 or 4501(a)" from paragraph (a) wherever it appears and replacing it with the phrase "4371, 4501(a) and 4701".

Par. 5. The authority for Part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 6. Section 602.101(c) is amended by inserting in the appropriate place in the table:

"§ 46.4701–1(d).....1545–0023".

Roscoe L. Egger, Jr.,

Commissioner of Internal Revenue.

Approved:

J. Roger Mentz,

Assistant Secretary of the Treasury.

August 29, 1986.

[FR Doc. 86–21442 Filed 9–19–86; 8:45 am]

BILLING CODE 4031–01–M

DEPARTMENT OF DEFENSE

Defense Logistics Agency

32 CFR Part 1286

[DLAR 5400.21]

Defense Logistics Agency Privacy Program

AGENCY: Defense Logistics Agency, DoD.

ACTION: Revision of final rule.

SUMMARY: This final rule revises the Defense Logistics Agency Privacy Program which implements the Privacy Act of 1974, as amended (5 U.S.C. 552a), within the Agency. This revision supersedes a final rule (42 FR 45907) published on September 13, 1977, 32 CFR Part 1286—"Personal Privacy and Rights of Individuals Regarding Their Personal Records."

EFFECTIVE DATE: September 22, 1986.

ADDRESS: Headquarters, Defense Logistics Agency, ATTENTION: DLA–XAM, Cameron Station, Alexandria, VA 22304.

FOR FURTHER INFORMATION CONTACT: Mr. Dave Henshall, (202) 274–6234.

SUPPLEMENTARY INFORMATION: This rule implements the provisions of DoD Directive 5400.11 and DoD Regulation 5400.11–R as published (51 FR 2364) on January 16, 1986, 32 CFR Part 286a—Privacy Act of 1974, As Amended: Department of Defense Privacy Program.

List of Subjects in 32 CFR Part 1286

Privacy.

Accordingly, Title 32 is amended by revising Part 1286 to read as follows:

PART 1286—DEFENSE LOGISTICS AGENCY PRIVACY PROGRAM

Sec.

1286.1 Purpose and scope.
1286.2 Policy.
1286.3 Definitions.
1286.4 Responsibilities.
1286.5 Procedures.
1286.6 Forms and reports.
APPENDIX A—Instructions for Preparation of System Notices
APPENDIX B—Criteria for New and Altered Record Systems
APPENDIX C—Instructions for Preparation of Reports to New or Altered Systems
APPENDIX D—Word Processing Center (WPC) Safeguards
APPENDIX E—OMB Guidelines for Matching Programs
APPENDIX F—Litigation Status Sheet
APPENDIX G—Privacy Act Enforcement Actions
APPENDIX H—DLA Exemption Rules

Authority: Privacy Act of 1974, Pub. L. 93–579, Stat. 1896 (5 U.S.C. 552a).

§ 1286.1 Purpose and scope.

This Part 1286 implements the Privacy Act of 1974 (5 U.S.C. 552a) and DoD Directive and DoD Regulation 5400.11, Department of Defense Privacy Program (32 CFR Part 286a). It applies to Headquarters, Defense Logistics Agency (HQ DLA) and all DLA field activities.

§ 1286.2 Policy.

It is the policy of DLA to safeguard personal information contained in any system of records maintained by DLA activities and to make that information available to the individual to whom it pertains to the maximum extent practicable. DLA policy specifically requires that DLA activities:

(a) Collect, maintain, use, and disseminate personal information only when it is relevant and necessary to achieve a purpose required by statute or Executive Order.

(b) Collect personal information directly from the individuals to whom it pertains to the greatest extent practical.

(c) Inform individuals who are asked to supply personal information for inclusion in any system of records:

(1) The authority for the solicitation.

(2) Whether furnishing the information is mandatory or voluntary.

(3) The intended uses of the information.

(4) The routine disclosures of the information that may be made outside DoD.

(5) The effect on the individual of not providing all of any part of the requested information.

(d) Ensure that all records used in making determinations about individuals are accurate, relevant, timely, and complete.

(e) Make reasonable efforts to ensure that records containing personal information are accurate, relevant, timely, and complete for the purposes for which they are being maintained before making them available to any recipients outside DoD, other than a Federal agency, unless the disclosure is made under DLAR 5400.14, Availability to the Public of Official Information (32 CFR Part 1285).

(f) Keep no record that describes how individuals exercise their rights guaranteed by the First Amendment of the U.S. Constitution, unless expressly authorized by statute or by the individual to whom the records pertain or is pertinent to and within the scope of an authorized law enforcement activity.

(g) Make reasonable efforts, when appropriate, to notify individuals whenever records pertaining to them are made available under compulsory legal