on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation and that it is not considered to be major under Executive Order 12291. It is impracticable for the agency to follow the procedures of Order 12291 with respect to this rule since the rule must be issued immediately to correct an unsafe condition in aircraft. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption "**ADDRESSES.**"

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 14 CFR part 39 of the Federal Aviation Regulations as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g); and 14 CFR 11.89.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

92-06-13. **Boeing:** Amendment 39-8193. Docket 92-NM-21-AD.

Applicability: Model 767 series airplanes equipped with General Electric CF6-80C2 engines, certificated in any category.

Compliance: Required as indicated, unless accomplished previously.

To prevent inadvertent deployment of a thrust reverser during flight, accomplish the following:

(a) Within 60 days after the effective date of this AD, revise the wiring in certain panels, the wing-body disconnects, and the wing-strut disconnects, in accordance with Boeing Alert Service Bulletin 767-78A0052, Revision 1, dated February 14, 1992.

(b) An alternative method of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. The request shall be forwarded through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Seattle ACO.

(c) Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate the airplane to a location where the requirements of this AD can be accomplished.

(d) The modification shall be done in accordance with Boeing Alert Service Bulletin 767-78A0052, Revision 1, dated February 14, 1992.

This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. Copies may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington; or at the Office of the Federal Register, 1100 L Street NW., Room 8401, Washington, DC.

(e) This amendment becomes effective on March 18, 1992.

Issued in Renton, Washington, on February 27, 1992.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 92-6291 Filed 3-17-92; 8:45 am]

BILLING CODE 4910-03-M

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14 CFR Part 39

[Docket No. 91-NM-181-AD; Amendment 39-8186; AD 92-06-06]

Airworthiness Directives; General Dynamics Convair Model 340, 440, and C-131 (Military) Series Airplanes, Including Those Modified for Turbopropeller Power

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final Rule.

SUMMARY: This amendment supersedes an existing airworthiness directive (AD), applicable to all General Dynamics Model 340, 440 and C-131 (Military) series airplanes, which currently requires structural inspections, and repair or replacement, as necessary to ensure continued airworthiness. This amendment requires more detailed inspections, adds areas to be inspected, requires the use of improved inspection methods, and revises certain compliance times. This amendment is prompted by the analysis of new data submitted in accordance with the existing AD. The actions specified by this AD are intended to prevent the compromise of the structural integrity of these airplanes.

DATES: Effective April 22, 1992.

The incorporation by reference of General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS-340-1000, dated November 14, 1986, including Addendum I dated April 14, 1987; Addendum II dated May 4, 1987, and Addendum III, dated August 4, 1987; was previously approved by the Director of the Federal Register as of November 21, 1988 (53 FR 41157, October 20, 1988).

The incorporation by reference of General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS-340-1000, Revision 1, dated April 15, 1991, including Addenda I, II, and III, all dated April 15, 1991, is aproved by the Director of the Federal Register as of April 22, 1992.

ADDRESSES: The service information referenced in this AD may be obtained from General Dynamics/Convair Division, Lindberg Field Plant, P.O. Box 85377, San Diego, California 92138, Attention: Derek Trusk. This information may be examined at the FAA, Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue SW., Renton, Washington; or at the Los Angeles Aircraft Certification Office 3229 East Spring Street, Long Beach, California; or at the Office of the Federal Register, 1100 L Street NW., room 8401, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Mr. Brent Bandley, Aerospace Engineer, Airframe Branch, ANM-123L, FAA, Northwest Mountain Region, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3229 East Spring Street, Long Beach, California 90806-2425; telephone (310) 988-5237.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations by superseding AD 88-22-06, Amendment 39-6006 (53 FR 41157, October 20, 1988), which is applicable to all General Dynamics Model 340, 440 and C-131 (Military) series airplanes, was published in the **Federal Register** on October 4, 1991 (56 FR 50299). The action proposed to require more detailed inspections of various structural components of these airplanes, more areas to be inspected, the use of improved inspection methods, and the revision of certain compliance times.

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

One commenter supports the rule.

One commenter asks for clarification as to whether the proposed rule applies to the Model C–131A, the military version of the Model 240. The FAA notes that this AD action is applicable to the C–131B through C–131H models, but not the C–131A; the applicability statement of the final rule has been revised to indicate this. (This is also indicated in the effectivity section of the applicable Structural Inspection Document (SID), page 2–1.)

This same commenter also suggests that the proposed rule contain a statement, such as the one in the beginning of the revised SID and each addendum, that in addition to the inspection intervals described for each principal structural element (PSE), there is a specified calendar time limit for each inspection item. The FAA concurs that the rule would be clearer if such information were included. The final rule has been revised to add new paragraph (c) which specifies that inspections of the principal structural elements (PSE) are to begin within 6 months after the incorporation of the revised SID into the FAA-approved maintenance inspection program.

One commenter asks for clarification as to how paragraphs (a) and (b) of the proposal relate to each other. This commenter states that it appears that an affected operator would have to comply with both paragraphs at the same time. The FAA concurs that some clarification is necessary. Paragraph (a), which is currently in effect (originally required by AD 88–22–06), requires operators to revise their maintenance inspection program within one year after November 21, 1988, to include the items specified in the original issue of the Convair SID, dated November 14, 1986 (and various addenda). The FAA's intent is that the requirements of that paragraph remain in effect until operators incorporate Revision 1 of the SID (dated April 15, 1991) into their maintenance inspection program, as required by paragraph (b). Within six months after such incorporation, operators must then commence inspections of the PSE's specified in Revision 1 of the SID, as required by new paragraph (c) of the final rule.

Several commenters oppose the six-month compliance time (from the date that the revised AD becomes effective) to do all the inspections in accordance with the calendar times indicated in the revised SID. They noted that the compliance time was too short and, therefore, would have negative impact on flight schedules, aircraft availability, and available manpower. These commenters request that the compliance time be extended to two or four years. The FAA concurs in part. As discussed above, the final rule as been revised to indicate that the inspections in accordance with the revised SID are required within six months after the incorporation of the revised SID into the maintenance inspection program. The operators, in effect, have one year from the date that this final rule becomes effective to do the inspections required by the calendar time requirement. The FAA considers one year to be sufficient time in which operators can accomplish these inspections. Further, the inspections specifically required within the calendar time schedules will have limited impact on the entire fleet. The inspection required with respect to calendar time schedules will affect mainly low-time airplanes, namely, those airplanes that have not exceeded a certain threshold specified in number flight hours; eighty percent of the fleet already has exceeded that threshold.

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the changes previously described. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

There are approximately 320 General Dynamics Model 340, 440, and C–131 (Military) series airplanes of the affected design in the worldwide fleet. The FAA estimates that 240 airplanes of U.S. registry and 25 U.S. operators will be affected by this AD.

To initially incorporate the Supplemental Inspection Document (SID) program into an operator's maintenance program, as required by AD 88–22–06, necessitated 1,000 work hours per operator to accomplish. To incorporate the additional procedures into the SID program as required by this AD action will necessitate an additional 20 work hours per operator. At an average labor cost of $55 per work hour, the additional administrative cost to U.S. operators incurred as a result of this AD is $27,500, or $1,100 per operator.

The new requirements of this AD will also necessitate approximately 50 additional work hours per airplane to accomplish initially the inspection procedures. At an average labor cost of $55 per work hour, the additional cost to U.S. operators incurred as a result of this AD is $660,000 for the fleet, or $2,750 per airplane.

Based on these figures, the total additional cost impact of the new requirements of this AD on U.S. operators is $687,500.

The recurring inspection cost to the affected operators is estimated to be 500 work hours per airplane per year, at an average cost of $55 per work hour. This figure entails no additional work hours as a result of this new AD action. Therefore, the total cost of recurring inspections to U.S. operators is estimated to be $6,600,000 annually for the fleet, or $27,500 per airplane.

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption "**ADDRESSES**."

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 14 CFR part 39 of the Federal Aviation Regulations as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g); and 14 CFR 11.89.

§ 39.13 [Amended]

2. Section 39.13 is amended by

removing amendment 39–6006 (53 FR 41157, October 20, 1988), and by adding a new airworthiness directive (AD), amendment 39–8186, to read as follows:

92–06–06. General Dynamics: Amendment 39–8186. Docket No. 91–NM–181–AD. Supersedes AD 88–22–06, Amendment 39–6006.

Applicability: Applies to Model 340, 440, and C–131 (Military) series airplanes, all serial numbers, certificated in any category, including those modified for turbo-propeller power.

Compliance: Required as indicated, unless previously accomplished.

To ensure the continuing structural integrity of these airplanes, accomplish the following:

(a) Within one year after November 21, 1988 (the effective date of Amendment 39–6006, AD 88–22–06), incorporate a revision into the FAA-approved maintenance inspection program which provides for inspection of the Principal Structural Elements (PSE) defined in section 3 of General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS–340–1000, dated November 14, 1986; Addendum I, dated April 14, 1987; Addendum II, dated May 4, 1987; and Addendum III dated August 4, 1987. The non-destructive inspection techniques set forth in the SID provide acceptable methods for accomplishing the inspections required by this AD. All inspection results (negative or positive) must be reported to General Dynamics, in accordance with the instructions in the SID.

(b) Within six months after the effective date of this AD, incorporate a revision into the FAA-approved maintenance inspection program which provides for inspection of the Principal Structural Elements (PSE) defined in section 3 of General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS–340–1000, Revision 1, dated April 15, 1991; including Addenda I, II, and III, all dated April 15, 1991.

(c) Within six months after incorporation of General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS–340–1000, Revision 1, dated April 15, 1991; including Addenda I, II, and III, dated April 15, 1991; into the FAA-approved maintenance inspection program, as required by paragraph (b) of this AD, inspect all PSE's specified in that SID that have not been inspected within the 12 calendar years. The non-destructive inspection techniques set forth in that SID provide acceptable methods for accomplishing the inspections required by this AD. All inspection results (negative or positive) must be reported to General Dynamics, in accordance with the instructions in the SID.

(d) Cracked structure detected during the inspections required by paragraph (a) or (c) of this AD must be repaired or replaced, prior to further flight, in accordance with General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS–340–1000, dated November 14, 1986; or Revision 1, dated April 15, 1991.

(e) All of the information collection requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*) and have been assigned OMB Control Number 2120–0056.

(f) Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

(g) An alternative method of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate.

Note: The request should be forwarded through an FAA Principal Maintenance Inspector (PMI), who may concur or comment and then send it to the Manager, Los Angeles ACO.

(h) The program revision required by paragraph (a) of this AD shall be done in accordance with General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS–340–1000, dated November 14, 1986, including Addendum I dated April 14, 1987; Addendum II dated May 4, 1987, and Addendum III, dated August 4, 1987. The incorporation by reference of that document was approved previously by the Director of the Federal Register as of November 21, 1988 (53 FR 41157, October 20, 1988), in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. The program revision required by paragraph (b) of this AD shall be done in accordance with General Dynamics, Convair Division, "Supplemental Inspection Document (SID), Model 340/440," Report No. ZS–340–1000, Revision 1, dated April 15, 1991; including Addenda I, II, and III, all dated April 15, 1991. The incorporation by reference of that document was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from General Dynamics/Convair Division, Lindberg Field Plant, P.O. Box 85377, San Diego, California 92138, Attention: Derek Trusk. These documents may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington; or the Los Angeles Aircraft Certification Office, 3229 East Spring Street, Long Beach, California; or at the Office of the Federal Register, 1100 L Street NW., room 8401, Washington, DC.

(i) This amendment becomes effective April 22, 1992.

Issued in Renton, Washington, on February 24, 1992.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 92–6290 Filed 3–18–92; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[T.D. 8402]

RIN 1545–AL41

Consolidated Return Regulations; Modification of Rules Relating to the Applicability of Other Provisions of Law in the Context of the Consolidated Return Regulations

AGENCY: Internal Revenue Service, Treasury.

ACTION: Temporary and final regulations.

SUMMARY: This document contains temporary and final regulations under section 1502 of the Internal Revenue Code of 1986, as amended, providing that section 304 does not apply to acquisitions of the stock of a corporation by one member of a consolidated group from another member and providing special restoration rules for deferred gain that results on an acquisition of the stock of a subsidiary member of a consolidated group by one member from another member.

DATES: The regulations are effective on July 24, 1991 and apply to an acquisition of stock of a corporation in an intercompany transaction occurring on or after July 24, 1991.

FOR FURTHER INFORMATION CONTACT: Brendan P. O'Hara at telephone (202) 566–2455 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document contains revisions to § 1.1502–80 of Income Tax Regulations (26 CFR part 1) under section 1502 of the Internal Revenue Code of 1986, as amended. Proposed regulations were filed on July 24, 1991 and published on July 25, 1991 (56 FR 34044).

Section 1.1502–80 currently provides that section 304 applies for any consolidated return year. Section 304 treats a sale of stock by a shareholder to a person related to the shareholder as a distribution with respect to stock, which may be taxed as a dividend. Under the consolidated return regulations, a dividend, including one arising under section 304, is eliminated from income. Section 1.1502–14(a). Absent section 304(b)(4), a dividend arising under section 304 may result in inappropriate adjustments to basis in the stock of the transferor and other corporations in a

consolidated group. Section 304(b)(4) prevents that result.

The Internal Revenue Service has concluded that the simplest way to implement the purposes of section 304(b)(4) for a consolidated group is for section 304 not to apply to an acquisition of stock by one member from another member. Alternatives to implementing the purposes of section 304(b)(4), which would have required complex basis and earnings and profits adjustments, were rejected. Section 304 continues to apply, in appropriate cases, to an acquisition of stock by a member from non-member.

This document also contains revisions to § 1.1502–13T to provide a rule parallel to that contained in § 1.1502–14T(c), relating to the restoration of deferred gain resulting from the distribution of stock of a subsidiary by one member of a consolidated group to another member.

Comments

A hearing on the proposed regulations was held on December 10, 1991. Several speakers noted that, under the approach of the proposed regulations, a consolidated group may recognize gain associated with assets twice, when the assets are sold and, through restoration of deferred gain, when the stock in the corporation that held the assets is disposed of. This issue arises also when appreciated stock of a member is distributed from one member to another. The Internal Revenue Service is studying the issue as part of a regulations project under §§ 1.1502–13 and 1.1502–14.

Explanation of Provisions

The final regulations amend § 1.1502–80 to provide that an acquisition of stock of a corporation by one member of a consolidated group from another member occurring on or after July 24, 1991 is not subject to section 304. These transfers of stock between members are treated, to the extent provided in § 1.1502–13, as deferred intercompany transactions.

The final regulations do not affect the application of section 304(b)(4) to section 304 transfers not addressed by the final regulations. Section 304(b)(4) continues to require appropriate adjustments to basis and earnings and profits in such cases.

The temporary regulations amend § 1.1502–13T to add rules similar to those provided in § 1.1502–14T(c) (which restores deferred gain on distributed stock) that apply to deferred gain arising in an intercompany transaction that is a sale or exchange of stock of a subsidiary.

Special Analyses

It has been determined that these rules are not major rules as defined in Executive Order 12291. Therefore, a Regulatory Impact Analysis is not required. It also has been determined that section 553(d) of the Administrative Procedure Act (5 U.S.C. chapter 5) and the Regulatory Flexibility Act (5 U.S.C. chapter 6) do not apply to these regulations, and therefore, a Regulatory Flexibility Analysis is not required. Pursuant to section 7805(f) of the Internal Revenue Code, the notice of proposed rulemaking was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on the impact of the rules on small business.

List of Subjects in 26 CFR Parts 1.1502–12 through 1.1502–100

Income taxes, Controlled group of corporations, Consolidated returns.

Amendments to the Regulations

Accordingly, the amendments to 26 CFR chapter I, subchapter A, part 1 are as follows:

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

Paragraph 1. The authority citation for part 1 is amended by adding the following citation:

Authority: Sec. 7805, 68A Stat. 917; 26 U.S.C. 7805, 26 U.S.C. 6038, and 26 U.S.C. 6038A * * * Section 1.1502–80 also issued under 26 U.S.C. 304(b)(4) and 1502 * * *

Par. 2. Section 1.1502–13T is amended by designating paragraph (o) as paragraph (p) and adding paragraph (o) to read as follows:

§ 1.1501–13T Temporary regulations for certain intercompany transactions.

* * * * *

(o) *Restoration of deferred gain on stock of a member*—(1) *Restoration rule.* For purposes of this section and § 1.1502–13, gain deferred with respect to an acquisition of stock of a subsidiary in an intercompany transaction shall be taken into account—

(i) Upon a disposition (as defined in § 1.1502–19(b)(2)) of the stock of the subsidiary in an amount equal to the amount that would have created or increased the excess loss account if the adjustment to basis (or excess loss account) of the stock of the subsidiary resulting from the acquisition has not occurred, or

(ii) Following a disposition (as defined in § 1.1502–19(b)(2)), to the extent distributions with respect to any stock owned by a member would exceed the basis of such stock if the adjustment to the basis of the stock resulting from the acquisition had not occurred.

(2) *Example.* This paragraph (o) may be illustrated by the following example:

Example. (a) Corporations P, S1, S2, and S3 file consolidated returns on a calendar year basis. P owns all of the outstanding stock of S1 and S2. S1 owns all 100 shares of the outstanding stock of S3. The S3 shares have an adjusted basis of $1,000 and value of $10,000. S1 sells all 100 shares of the S3 stock to S2 for $10,000 and recognizes $9,000 of gain. The gain is deferred under § 1.1502–13(c). S2 takes a $10,000 basis in the S3 stock under § 1.1502–31(a).

(b) S3 borrows $5,000 in 1992 and distributes the $5,000 to S2 in the same year. S3 has no current earnings and profits, and the distribution reduces S2's basis in the S3 stock from $10,000 to $5,000.

(c) In 1993, S3 has no current earnings and profits. At the end of 1993, S3 issues 100 shares of stock to X, an unrelated third party. As a result, S2 no longer owns 80 percent or more of the S3 stock and S3 ceases to be a member of the group. S3's ceasing to be a member of the group is a disposition of the S3 stock under § 1.1502–19(b)(2)(i). If the basis of the S3 stock had not been adjusted as a result of the sale of the S3 stock by S1 to S2, the $5,000 distribution would have resulted in a $4,000 excess loss account with respect to the S3 stock. Accordingly, S1 is required to take into account $4,000 of the deferred gain (the amount that would have been in the excess loss account but for the adjustment to the basis of the S3 stock resulting from its sale).

(d) In 1994, S2 sells its 100 shares of S3 stock to X for $6,000. S2 recognizes gain of $1,000 on the sale. Further, under § 1.1502–13(f)(1)(i), because the S3 stock is disposed of outside the group, S1 must take into account the remaining $5,000 of deferred gain on the S3 stock.

(3) *Effective date.* This paragraph (o) applies to acquisitions of stock of a subsidiary in an intercompany transaction occurring on or after July 24, 1991.

* * * * *

Par. 3. Section 1.1502–80 is revised to read as follows:

§ 1.1502–80 Applicability of Other Provisions of Law.

(a) *In general.* The Internal Revenue Code, or other law, shall be applicable to the group to the extent the regulations do not exclude its application. Thus, for example, in a transaction to which section 381(a) applies, the acquiring corporation will succeed to the tax attributes described in section 381(c). Furthermore, sections 269 and 482 apply for any consolidated year. Section 304 applies except as provided in paragraph (b) of this section.

(b) *Non-applicability of section 304.* Section 304 does not apply to any acquisition of stock of a corporation in

an intercompany transaction occurring on or after July 24, 1991.

Dated: March 4, 1992.

David G. Blattner,

Acting Commissioner of Internal Revenue.

Fred T. Goldberg, Jr.,

Assistant Secretary of the Treasury.

[FR Doc. 92-6266 Filed 3-13-92; 11:34 am]

BILLING CODE 4830-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD5-90-064e]

Drawbridge Operation Regulations; Potomac River, District of Columbia

AGENCY: Coast Guard, DOT.

ACTION: Temporary final rule with request for comments.

SUMMARY: The Coast Guard has been petitioned by the Federal Highway Administration, the Maryland and Virginia Departments of Transportation, and the District of Columbia Department of Public Works to permanently amend the regulations governing operation of the Woodrow Wilson Memorial Bridge across the Potomac River, mile 103.8, at Alexandria, Virginia. As part of the rulemaking process, the Coast Guard is considering several alternative opening schedules as well as the schedule proposed by the petitioners. This temporary rule is being issued to evaluate a variation of the schedule that was published as a notice of proposed rulemaking in the December 20, 1991, **Federal Register**. This variation is being tested in response to some of the comments the Coast Guard has received concerning the hours of heaviest morning vehicular traffic and the effect of midday drawbridge openings for recreational vessels on highway traffic.

DATES: This temporary rule is effective from March 28, 1992, through May 26, 1992, unless sooner terminated. Comments must be received on or before April 27, 1992.

ADDRESSES: Comments should be mailed to Commander (ob), Fifth Coast Guard District, 431 Crawford Street, Portsmouth, Virginia 23704-5004. The comments received will be available for inspection and copying at room 507 at the above address between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Ann B. Deaton, Bridge Administrator, Fifth Coast Guard District, at 804-398-6222.

SUPPLEMENTARY INFORMATION:

Drafting Information

The drafters of this notice are Ann B. Deaton, Project Officer, and Capt. M.K. Cain, Project Attorney.

Discussion of Temporary Rule

This temporary rule is being issued to evaluate a variation of the opening schedule that was published as a notice of proposed rulemaking in the December 20, 1991, **Federal Register** by the Coast Guard in response to a request from the Federal Highway Administration, the Virginia and Maryland Departments of Transportation, and the District of Columbia Department of Public Works, to permanently change the regulations for the Woodrow Wilson Memorial Bridge by further restricting the hours during which the bridge may open for vessel traffic. This variation moves the noon opening for recreational vessels to 10 a.m., and moves the morning bridge closure period for commercial vessels forward one hour; i.e., instead of the closure period occurring from 4 a.m. to 9 a.m., it will occur from 5 a.m. to 10 a.m.

This variation also will require 4 hours (as opposed to 2 hours) advance notice from commercial vessels in order to have the bridge open from 10 a.m. to 2 p.m., and will require the bridge tender to delay the 10 a.m. openings for recreational vessels up to 4 hours to coincide with a later scheduled opening if a commercial vessel is scheduled to open the bridge during these hours. By linking recreational vessel openings with commercial vessel openings, the chance for multiple openings (i.e., one at 10 a.m. for recreational vessels then another for a commercial vessel 1, 2, or 3 hours later) during this high volume midday traffic period will be eliminated. Since the number of times this scenario is likely to occur is relatively low, recreational vessels should not be unduly inconvenienced, and they will be assured of reasonable midday access through the bridge each day of the year. Also, on those occasions when there are no scheduled midday openings for commercial vessels, and the bridge does open for recreational vessels at 10 a.m. as allowed under this variation, the opening will occur at a less disruptive time to vehicular traffic than 12 noon as shown by the traffic counts provided by state transportation officials. Advancing the morning bridge closure period forward by one hour for commercial vessels should result in the closure period coinciding more closely with the actual morning rush hour period according to the state highway officials and many comments we received. In all other respects, this rule is identical to the proposed rule that was published in the **Federal Register** on December 20, 1991.

This temporary rule is for evaluation purposes only and will be effective for a 60-day period beginning on March 28, 1992. The impact of this proposal on highway and marine traffic during this period will be evaluated to determine if it will result in substantial improvements in vehicular traffic flow without unreasonably restricting marine traffic. Data will be collected during the period to document the time and duration of draw openings and length of any resulting vehicle backups. If this rule results in an unforeseen disruption of traffic, it may be withdrawn sooner than 60 days. Unless particular problems with this temporary schedule are identified during this test period, the Coast Guard intends to reissue it as an Interim Final Rule to be effective from 27 May until a permanent rule is published.

The Woodrow Wilson Bridge operated under temporary rules from August 2, 1990, through May 31, 1991, to facilitate repairs to the bridge. Repairs were completed by May 31, 1991. Normally, operation of the bridge would revert to the permanent rule in 33 CFR 117.255. However, it is apparent that this will not provide a satisfactory balance between the needs of today's vehicular traffic and the needs of vessels. Therefore, the Coast Guard issued a temporary deviation from the permanent rules under the provisions of 33 CFR 117.43. That temporary rule with request for comments was issued to evaluate one of the alternative opening schedules being considered for a permanent change in the regulations. The rule was published in the **Federal Register** (56 FR 25369) on June 4, 1991. It was effective from June 1, 1991, through July 30, 1991. Comments were accepted through July 15, 1991. On July 9, 1991, the Coast Guard issued a second temporary rule with request for comments under the provisions of 33 CFR 117.43 to evaluate another of the alternative opening schedules being considered for a permanent change in regulations. That rule was published in the **Federal Register** (56 FR 35816) on July 29, 1991. It was effective from July 31, 1991, through September 28, 1991. Comments were accepted through September 13, 1991. On September 23, 1991, the Coast Guard issued a third temporary rule with request for comments under the provisions of 33 CFR 117.43 to evaluate another alternative opening schedule being considered. That rule was published in the **Federal Register** (56 FR 49145) on September 27, 1991. It was