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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM COMPETITIVE SERVICE

ENTIRE EXECUTIVE CIVIL SERVICE

Effective August 15, 1956, paragraphs (k) and (o) of § 6.101 are amended as set out below.

§ 6.101 *Entire executive civil service.*

(k) Subject to prior approval of the Commission, temporary, parttime, or intermittent employment on construction or repair work of employees in recognized trades and crafts or other skilled mechanical crafts and in unskilled, semi-skilled, or skilled manual-labor occupations and supervisory employees in these trades, crafts, and occupations, where the activity is carried on in places where there is no local Board of U. S. Civil Service Examiners to service the employing establishment and because of employment conditions there is a shortage of available candidates for the positions. Appointments under this paragraph shall not extend beyond one year, and the employment thereunder shall not exceed 180 working days a year. Seasonal employments of a recurring nature are not authorized under this paragraph.

(o) Nonsupervisory positions of custodial laborer (levels 1, 2, and 3) and general laborer (levels 2 and 3) in field establishments outside central office and regional and branch office cities of the Commission where there is no local Board of U. S. Civil Service Examiners to service the employing establishment, as follows:

(1) For temporary, intermittent, or seasonal employment (exclusive of positions covered by paragraph (k) of this section) not to exceed 180 working days a year in the Departments of Agriculture, Commerce, and Interior, and in the International Boundary and Water Commission.

(2) When it is specifically held by the Commission that this authority is applicable, for employment in localities that are isolated with respect to labor

supply and where there is a shortage of available candidates for the positions.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] Wm. C. HULL,
Executive Assistant.

[F. R. Doc. 56-6499; Filed, Aug. 10, 1956; 8:51 a. m.]

PART 6—EXCEPTIONS FROM COMPETITIVE SERVICE

DEPARTMENTS OF COMMERCE AND AGRICULTURE

Effective upon publication in the FEDERAL REGISTER, paragraph (h) (7) of § 6.112 is revoked, and paragraph (i) (16) is added to § 6.311 as set out below.

§ 6.311 *Department of Agriculture.*

• • •
(i) *Commodity Stabilization Service.*

• • •
(16) Director, Soil Bank Division.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] Wm. C. HULL,
Executive Assistant.

[F. R. Doc. 56-6484; Filed, Aug. 10, 1956; 8:47 a. m.]

TITLE 7—AGRICULTURE

Chapter III—Agricultural Research Service, Department of Agriculture

[P. P. C. 612, Second Rev., Supp. 7]

PART 301—DOMESTIC QUARANTINE NOTICES

SUBPART—KHAPRA BEETLE

ADMINISTRATIVE INSTRUCTIONS DESIGNATING PREMISES AS REGULATED AREAS

Pursuant to § 301.76-2 of the regulations supplemental to the Khapra Beetle Quarantine (7 CFR 301.76-2, 20 F. R. 1012) under sections 8 and 9 of the Plant Quarantine Act of 1912, as amended (7 U. S. C. 161, 162), revised administrative instructions issued as 7 CFR 301.76-2a

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(20 F. R. 9899), effective December 23, 1955, as amended effective January 26, 1956, March 14, 1956, April 17, 1956, May 9, 1956, June 7, 1956, and July 5, 1956 (21 F. R. 573, 1575, 2463, 3073, 3897, 4943), are hereby amended in the following respects:

(a) The designation as regulated areas of the following premises, included in the list contained in such instructions, is hereby revoked, and the reference to such premises in the list is hereby deleted, it having been determined by the Chief of the Plant Pest Control Branch that adequate sanitation measures have been practiced for a sufficient length of time to eradicate the khapra beetle in and upon such premises:

ARIZONA

- Arizona Flour Mills, Tempe.
- Elva Barnes Farm, Route 1, Box 113, Gilbert.
- C. A. Batty Farm, Box 27, Glenbar.
- G & H Feed Store, 812 Thatcher Boulevard, Safford.
- J. D. Hardin Grocery & Market, Cashion.
- Tom Jones Farm, P. O. Box 531, Mesa.
- Millett Feed Barn & Millett Feed & Storage Warehouse, 254 South Sistine Street, Mesa.
- Deibert T. Mortenson Farm, Route 1, Box 116, Gilbert.

- Red Star Feed & Seed Store, 220 Mill Street, Tempe.
- Vita-Gro Feed Store, 155 West Main Street, Mesa.
- Norman Welker Farm, Route 1, Safford.
- Norman Welker Farm No. 2, 311 East Revelation Street, Safford.

CALIFORNIA

- Albers Milling Co. property, 6130 South Avalon Boulevard, Los Angeles.
- Bakersfield Cattle Feeding Co. Ranch, Box 3155, Greenfield.
- Beckwith & Co., 614 High Street, Delano.
- Joe Bowers Ranch, Road 66, three-fourths mile west of Road B, Route 1, Box 14, Calipatria.
- Madeline Britton Property, 219 First Street, Calexico.
- Ralph Butters Ranch, on County Road 50 at intersection of County Road East M, Route 2, Box 111, Brawley.
- Central Valley Feed Yard, Inc., East Eighth Street and RR. tracks, Imperial.
- Louis J. Charlebois, Jr., Ranch, Route 2, Box 375, Blythe.
- W. Denewlier Ranch, Route 1, Box 77, Blythe.
- Desert Edge Farms, Repair Shop & Feed Lot (J-Bar Ranches), 340 East Main Street, Calipatria.
- Rosie Diffenbocker Ranch, County Road No. 68, one-half mile west of Highway 111, Calipatria.
- John W. Flier Ranch, one mile north and one-quarter mile east of Harris Store, Route 2, Box 210, Bard.
- Frank Hall Ranch, 6770 East Rose Avenue, Selma.
- J. A. Ivey Ranch, Route 2, Box 167, Blythe.
- Carl Jensen Ranch, located one mile west and one-half mile south of Calipatria High School. Mail address P. O. Box 487, Calipatria.
- H. Johnson Ranch, Route 1, Box 206, Terra Bella.
- Everet Jones Ranch, intersection of East R and Road 56, Route 2, Box 174, Brawley.
- Clarence Keel Ranch, Highway 111, 4 miles north of Calipatria.
- F. B. Marlow Ranch, intersection of West A and Road 54, Star Route, Box 27, Westmoreland.
- Mee Ranches (lessee), 1901 East Brundage Lane, Bakersfield.
- L. C. Myers Ranch, intersection of East V and County Road 58, Brawley.
- Palo Verde School District Farm, Palo Verde Junior College, west side of Lovekin, between Chancellor Way and 10th Avenue, Blythe.
- Emil Rebik Ranch, near East P on north side of Road 58, Box 184, Brawley.
- C. E. Rodgers property, corner Kelm Boulevard and 26th Avenue (Ripley area), Mail address Route 2, Box 247, Blythe.
- F. W. Schoneman Ranch, at southwest corner of intersection of County Roads East T and 54, Brawley.
- Walter E. Scott Ranch, southwest corner of 14th Avenue and DeTrain Boulevard, P. O. Box 283, Blythe.
- Frank Sherwood Ranch, 920 Lewelling Avenue, Hayward.
- Union Development Co. Warehouse, approximately 100 yards south of intersection of County Roads No. 86 and West A, Niland.
- Charles Vonderhase Ranch, intersection of Rockwood Road and Narcissus Canal, located at County Roads East C and No. 59. Mail address P. O. Box 235, Brawley.
- Albert Whitlock Ranch, southeast corner of intersection of Highway 111 and Road 77, P. O. Box 19, Calipatria.
- Wilkerson Brothers Ranch, on south side of County Road No. 74, one-half mile east of County Road East J, Calipatria.
- W. E. Young Ranch, intersection of East N and Road 66, P. O. Box 267, Calipatria.

(b) The following premises are added to the list, contained in such instructions,

of warehouses, mills, and other premises in which infestations of the khapra beetle have been determined to exist. Such premises are thereby designated as regulated areas within the meaning of said quarantine and regulations:

ARIZONA

- Attaway Ranch Market, Box 59, Coolidge.
- Clark Ranch, Box 1327, Coolidge.
- Ray Luster Farm, Box 246, Pima.
- Mile Hi Hatchery, P. O. Box 1711, Prescott.
- TK Bar Ranch, Kirkland.

CALIFORNIA

Jay Farms (John Ohannesson, owner), located at Wasco and Wildwood Avenue, T. 26 S., R. 23 E., sec. 36. Mail address 422 James Street, Shafter.

(c) The items appearing in the list, contained in such instructions under the subhead Arizona, as "Allied Grain Company, 310 South 24th Avenue, Phoenix," "Southern Feed & Hardware, 25 East Southern Avenue, Phoenix," and "Tucson Hay and Grain Co., 4734 East Speedway, Tucson," are changed to read, respectively, as Advance Seed & Grain Company, 310 South 24th Avenue, Phoenix; Norton's Used Furniture, 25 East Southern Avenue, Phoenix; and Amado's Consumers Appliance & Fritz's Meats, 4734 East Speedway, Tucson.

This amendment shall become effective August 11, 1956.

This amendment revokes the designation as regulated areas of certain premises, it having been determined by the Chief of the Plant Pest Control Branch that adequate sanitation measures have been practiced for a sufficient length of time to eradicate the khapra beetle in and upon such premises. It also adds additional premises to the list of premises in which khapra beetle infestations have been determined to exist, and designates such premises as regulated areas under the khapra beetle quarantine and regulations. It further corrects certain designations of presently regulated areas.

This amendment in part imposes restrictions supplementing khapra beetle quarantine regulations already effective. It also relieves restrictions insofar as it revokes the designation of presently regulated areas. It must be made effective promptly in order to carry out the purposes of the regulations and to permit unrestricted movement of regulated products from the premises being removed from designation as regulated areas. Accordingly, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003), it is found upon good cause that notice and other public procedure with respect to the foregoing amendment are impracticable and contrary to the public interest, and good cause is found for making the effective date thereof less than 30 days after publication in the FEDERAL REGISTER.

(Sec. 9, 37 Stat. 318; 7 U. S. C. 162. Interprets or applies sec. 8, 37 Stat. 318, as amended; 7 U. S. C. 161)

Done at Washington, D. C., this 7th day of August 1956.

[SEAL] **E. D. BURGESS,**
Chief,
Plant Pest Control Branch.

[F. R. Doc. 56-6501; Filed, Aug. 10, 1956; 8:51 a. m.]

Chapter VII—Commodity Stabilization Service (Farm Marketing Quotas and Acreage Allotments), Department of Agriculture

PART 728—WHEAT

SUBPART—1957-58 MARKETING YEAR

COUNTY ACREAGE ALLOTMENTS FOR 1957 CROP OF WHEAT

§ 728.706 *Basis and purpose.* The county acreage allotments for 1957 crop wheat contained herein have been determined under section 334 of the Agricultural Adjustment Act of 1938, as amended. The purpose is to apportion among the counties of each State the respective State wheat acreage allotments for 1957 as established by the proclamation dated May 16, 1956 (21 F. R. 3303) and to add thereto the increases required by section 1 of Public Law 117, 83d Congress. Prior to determinations of county acreage allotments for 1957 crop wheat, public notice (20 F. R. 10062) was given in accordance with the Administrative Procedure Act (5 U. S. C. 1003). The data, views, and recommendations pertaining to the determination of county acreage allotments for 1957 crop wheat which were submitted have been duly considered within the limits permitted by the Agricultural Adjustment Act of 1938, as amended, including the provisions of section 1 of Public Law 117, 83d Congress.

§ 728.707 *Wheat acreage apportioned to Counties for 1957.*

ARKANSAS

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Arkansas	856	42
Ashley	22	5
Baxter	145	
Benton	2,024	41
Boone	201	
Carroll	198	
Chester	386	30
Clark	1	1
Clay	2,618	228
Cleburne	32	8
Conway	1,403	56
Craighead	183	
Crawford	1,880	46
Crittenden	5,182	527
Cross	1,669	129
Desha	310	14
Faulkner	221	19
Franklin	253	8
Fulton	145	
Garland	30	
Greene	482	13
Hempstead	7	
Hot Spring	17	4
Independence	4,468	
Izard	19	
Jackson	1,273	
Jafferson	74	12
Johnson	883	
Lafayette	12	
Lawrence	686	21
Lee	1,228	90
Lincoln	86	14
Little River	10	
Logan	1,446	
Lonoke	312	28
Madison	337	7
Marion	53	
Mississippi	9,534	909
Monroe	65	12
Montgomery	42	
Newton	3	
Perry	288	28
Phillips	827	128
Poinsett	1,099	
Polk	17	
Pope	1,260	38
Prairie	378	47

ARKANSAS—Continued

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Pulaski	2,798	
Randolph	801	9
St. Francis	3,120	94
Salline	7	
Searcy	235	
Sebastian	409	42
Sevier	3	
Sharp	121	12
Stone	313	
Van Buren	30	7
Washington	802	
White	317	46
Woodruff	1,312	218
Yell	442	38
Reserve new farms	100	
Reserve missed farms and corrections	100	
Total	53,479	2,971

CALIFORNIA

Alameda	1,809	
Alpine	16	
Amador	274	
Butte	7,901	
Calaveras	29	
Colusa	6,259	
Contra Costa	1,629	
El Dorado	1	
Fresno	16,679	
Glenn	3,711	
Imperial	2,325	
Inyo	20	
Kern	39,368	
Kings	973	
Lake	370	
Lassen	8,486	
Los Angeles	27,593	
Madera	10,858	
Marin	453	
Mariposa	135	
Mendocino	582	
Merced	3,486	
Modoc	15,691	
Mono	17	
Monterey	18,527	
Napa	1,793	
Orange	374	
Placer	10,582	
Plumas	19,779	
Riverside	16,293	
Sacramento	2,061	
San Benito	208	
San Bernardino	1,100	
San Diego	9,716	
San Joaquin	92,369	
San Luis Obispo	63	
San Mateo	7,544	
Santa Barbara	199	
Santa Clara	4	
Santa Cruz	1,976	
Shasta	387	
Sierra	20,473	
Siskiyou	12,652	
Solano	710	
Sonoma	525	
Stanislaus	18,277	
Butter	2,174	
Tehama	29,953	
Tulare	26	
Tuolumne	655	
Ventura	10,769	
Yolo	1,459	
Yuba	4,361	
Reserve new farms	1,000	
Reserve missed farms and corrections	1,000	
Total	436,142	

COLORADO

Adams	135,731	
Alamosa	890	
Arapahoe	60,646	
Archuleta	1,957	
Baen	278,374	
Bent	34,229	
Boulder	11,364	
Chaffee	261	
Cheyenne	145,263	
Conchos	1,888	
Costilla	1,209	
Crowley	12,769	
Custer	374	
Delta	1,231	
Dolores	31,196	
Douglas	12,428	
Eagle	405	

COLORADO—Continued

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Elbert	67,365	
El Paso	15,779	
Fremont	692	
Garfield	5,257	
Grand	1,187	
Huerfano	5,884	
Jackson	697	
Jefferson	8,836	
Kiowa	295,959	
Kit Carson	245,329	
La Plata	19,836	
Larimer	22,194	
Las Animas	28,071	
Lincoln	142,344	
Logan	142,732	
Mea	1,612	
Moffat	33,906	
Montezuma	21,816	
Montrose	5,194	
Morgan	58,525	
Otero	2,128	
Ouray	828	
Phillips	111,394	
Pitkin	213	
Prowers	166,259	
Pueblo	16,553	
Rio Blanco	6,273	
Rio Grande	3,100	
Routt	24,219	
Saguache	789	
San Miguel	994	
Sedwick	66,289	
Teller	20	
Washington	236,894	
Weld	191,281	
Yuma	143,891	
Reserve new farms	2,700	
Reserve missed farms and corrections	2,700	
Total	2,766,025	

DELAWARE

Kent	14,610	
New Castle	11,710	
Sussex	6,981	
Reserve new farms	200	
Reserve missed farms and corrections	100	
Total	33,601	

GEORGIA

Appling	33	
Atkinson	1	
Baker	63	7
Baldwin	55	
Banks	625	
Barrow	1,043	
Bartow	1,883	
Ben Hill	25	2
Bibb	630	
Blockley	383	
Brooks	8	
Bryan	13	
Bulloch	211	
Burke	1,077	
Butts	1,025	
Calhoun	119	13
Candler	49	
Carroll	998	
Catoosa	345	
Chattooga	182	
Cherokee	165	
Clarke	1,706	
Clay	121	
Clayton	286	
Cobb	187	
Coffee	88	
Colquitt	7	
Columbia	294	
Coweta	326	
Crawford	1,074	
Crisp	353	
Dade	106	
Dawson	209	
De Kalb	216	
Dodge	2,067	
Dooley	505	16
Dougherty	199	
Douglas	752	119
Early	24	2
Effingham	2,265	
Elbert	681	
Emanuel	51	
Evans	22	
Fannin	51	
Fayette	451	

GEORGIA—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Floyd	654	
Forsyth	475	
Franklin	3,496	
Fulton	419	
Gilmer	29	
Glascock	461	
Gordon	512	
Gwin	25	6
Greene	383	
Gwinnett	1,554	
Habersham	130	
Hall	705	
Hancock	292	
Harrison	277	
Harris	156	
Hart	4,514	
Heard	435	
Henry	1,603	
Houston	4,229	
Jackson	2,718	
Jasper	512	
Jefferson	8,957	
Jenkins	281	
Johnson	609	
Jones	95	
Lamar	432	
Laurens	1,609	
Lee	455	
Lincoln	303	
Lowndes	23	2
Lumpkin	55	
McDuffie	257	
Macon	1,983	
Madison	7,641	
Marion	185	
Meriwether	712	
Milke	124	28
Mitchell	16	
Monroe	257	
Montgomery	48	
Morgan	835	
Murray	1,009	
Muscogee	1	1
Newton	541	
Oconee	2,361	
Oglethorpe	5,163	
Paulding	272	
Peach	2,134	
Pickens	117	
Pike	1	
Polk	528	
Pulaski	565	
Putnam	155	
Quitman	14	
Rabun	27	
Randolph	201	
Richmond	693	
Rockdale	272	
Schley	225	
Screven	339	
Seminole	49	13
Spalding	1,135	
Stephens	363	
Stewart	20	
Sumter	2,317	
Talbot	150	
Talferro	187	
Tatnall	40	
Taylor	236	
Telfair	62	
Terrill	259	
Thomas	59	6
Tift	19	1
Toombs	89	3
Towns	134	
Trenton	53	
Turner	67	
Twiggs	94	1
Union	73	
Upson	234	
Walker	353	
Walton	694	
Warren	1,840	
Washington	1,328	
Webster	3,232	
Wilkes	97	
Wilcox	770	
White	71	
Whitfield	1,071	
Wilcox	241	
Wilkinson	742	
Worth	124	
Reserve new farms	28	
Reserve missed farms and corrections	825	
Total	103,143	213

INDIANA

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Ada	5,892	
Adams	1,655	
Barrack	50,339	
Bear Lake	22,529	
Benewah	19,414	
Bingham	52,317	
Blaine	7,151	
Boise	405	
Bonner	1,777	
Bonneville	88,190	
Boundary	9,197	
Butte	9,228	
Camas	32,102	
Canyon	16,422	
Caribou	48,898	
Cassia	61,625	
Clark	5,083	
Clearwater	7,475	
Custer	1,935	
Elmore	7,342	
Franklin	35,159	
Fremont	48,020	
Gem	2,103	
Gooding	7,092	
Idaho	57,584	
Jefferson	27,812	
Jerome	12,591	
Kootenai	23,447	
Latah	63,087	
Lemhi	1,355	
Lewis	39,582	
Lincoln	9,104	
Madison	49,586	
Missidoka	20,571	
Nex Perce	61,365	
Oneida	67,205	
Owyhee	4,990	
Payette	4,894	
Power	91,387	
Teton	28,582	
Twin Falls	32,529	
Valley	591	
Washington	17,699	
Reserve new farms	1,572	
Reserve missed farms and corrections	0	
Total	1,136,480	

ILLINOIS

Adams	23,894
Alexander	4,194
Bond	16,795
Boone	257
Brown	6,632
Bureau	1,869
Calhoun	4,339
Carroll	297
Cass	18,430
Champaign	28,578
Christian	45,775
Clark	22,805
Clay	10,723
Clinton	32,102
Coles	22,599
Cook	1,938
Crawford	15,582
Cumberland	13,408
De Kalb	512
De Witt	5,274
Douglas	17,367
Du Page	3,060
Edgar	25,889
Edward	11,090
Effingham	18,090
Fayette	21,839
Ford	525
Franklin	15,980
Fulton	15,495
Gallatin	7,448
Greene	22,333
Grundy	762
Hamilton	10,289
Hancock	22,629
Hardin	168
Henderson	3,595
Henry	890
Iroquois	11,563
Jackson	16,790
Jasper	20,086
Jefferson	16,221
Jersey	17,886
Jo Daviess	55
Johnson	1,811
Kane	1,838
Kankakee	7,022
Kendall	967

ILLINOIS—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Knox	2,894	
Lake	3,252	
La Salle	2,161	
Lawrence	18,228	
Lee	2,870	
Livingston	814	
Logan	19,277	
McDonough	10,975	
McHenry	1,381	
McLean	3,673	
Macon	19,219	
Macoupin	41,286	
Madison	52,456	
Marion	17,171	
Marshall	2,842	
Mason	30,875	
Massac	3,021	
Merced	14,764	
Mercer	1,462	
Monroe	33,757	
Montgomery	28,348	
Morgan	28,348	
Moultrie	15,519	
Ogle	1,035	
Peoria	8,565	
Perry	16,893	
Piatt	14,801	
Pike	21,201	
Pope	1,771	
Pulaski	3,615	
Putnam	1,554	
Randolph	33,104	
Richland	10,693	
Rock Island	845	
St. Clair	57,349	
Saline	11,690	
Sangamon	38,167	
Schnyder	14,391	
Scott	13,569	
Shelby	32,166	
Stark	863	
Stephenson	234	
Tazewell	17,941	
Union	6,017	
Vermilion	38,501	
Wabash	13,631	
Warren	1,498	
Washington	49,795	
Wayne	13,220	
White	22,245	
Whiteside	3,917	
Will	7,239	
Williamson	4,938	
Winnebago	941	
Woodford	2,792	
Reserve new farms	4,000	
Reserve missed farms and corrections	3,803	
Total	1,414,575	

INDIANA

Adams	12,694
Allen	26,721
Bartholomew	21,557
Benton	11,796
Blackford	2,955
Boone	8,369
Brown	344
Carroll	12,658
Cass	11,789
Clark	6,564
Clay	14,963
Clinton	16,776
Crawford	2,418
Daviess	18,421
Dearborn	8,345
Decatur	23,564
De Kalb	17,881
Delaware	11,590
Dubois	13,609
Elkhart	19,005
Fayette	9,899
Floyd	1,788
Fountain	16,364
Franklin	14,977
Fulton	11,179
Gibson	21,415
Grant	11,690
Greene	10,594
Hamilton	10,753
Hancock	10,479
Harrison	7,719
Hendricks	10,598
Henry	11,231
Howard	10,928
Huntington	11,129

RULES AND REGULATIONS

INDIANA—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Jackson	10,472	-----
Jasper	14,108	-----
Jay	10,439	-----
Jefferson	6,792	-----
Jennings	9,165	-----
Johnson	12,954	-----
Knox	30,885	-----
Kosciusko	18,703	-----
Lea	16,323	-----
Lake	10,854	-----
La Porte	24,079	-----
Lawrence	3,056	-----
Madison	14,164	-----
Marion	7,299	-----
Marshall	15,748	-----
Martin	2,221	-----
Miami	11,101	-----
Monroe	1,297	-----
Montgomery	16,186	-----
Morgan	7,944	-----
Newton	8,784	-----
Noble	15,196	-----
Ohio	1,233	-----
Orange	3,767	-----
Owen	3,859	-----
Parke	13,056	-----
Perry	4,962	-----
Pike	7,403	-----
Porter	17,651	-----
Posey	23,570	-----
Pulaski	14,055	-----
Putnam	8,966	-----
Randolph	14,480	-----
Ripley	17,278	-----
Rush	23,267	-----
St. Joseph	19,887	-----
Scott	4,185	-----
Shelby	21,019	-----
Spencer	13,683	-----
Stark	9,442	-----
Steuben	10,685	-----
Sullivan	18,302	-----
Switzerland	2,955	-----
Tippecanoe	20,340	-----
Tipton	9,407	-----
Union	10,538	-----
Vanderburgh	10,994	-----
Vermillion	9,389	-----
Vigo	12,611	-----
Wabash	14,793	-----
Warren	13,050	-----
Warrick	8,860	-----
Washington	10,124	-----
Wayne	15,350	-----
Wells	10,491	-----
White	12,760	-----
Whitley	11,607	-----
Reserve new farms	4,721	-----
Reserve missed farms and corrections	2,809	-----
Total	1,144,137	-----

IOWA

Adair	253	-----
Adams	1,534	-----
Allamakee	12	-----
Appanoose	641	-----
Audubon	60	-----
Benton	245	-----
Black Hawk	59	-----
Boone	27	-----
Bremer	4	1
Buchanan	86	-----
Calhoun	12	-----
Carroll	34	-----
Cass	1,314	-----
Cedar	73	-----
Cerro Gordo	57	-----
Chickasaw	6	1
Clarke	186	-----
Clayton	8	-----
Clinton	128	-----
Crawford	381	-----
Dallas	635	-----
Davis	1,370	-----
Decatur	699	-----
Des Moines	3,361	-----
Dubuque	73	-----
Floyd	21	1
Fremont	9,299	-----
Greene	22	-----
Guthrie	449	-----
Hamilton	22	-----
Hancock	22	-----
Harrison	14,034	-----
Henry	1,118	-----
Humboldt	9	1
Ida	12	-----
Iowa	118	-----
Jackson	39	-----

IOWA—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Jasper	821	-----
Jefferson	1,005	-----
Johnson	174	-----
Jones	26	-----
Keokuk	206	-----
Lee	6,411	-----
Linn	125	-----
Louis	1,207	-----
Lutes	637	-----
Lyon	45	-----
Madison	1,278	-----
Mahaska	559	-----
Marion	835	-----
Marshall	86	-----
Mills	8,214	-----
Monona	14,839	-----
Monroe	779	-----
Montgomery	3,615	-----
Muscatine	883	-----
Page	6,519	-----
Palo Alto	29	-----
Plymouth	794	-----
Pocahontas	29	-----
Polk	2,142	-----
Pottawattamie	5,954	-----
Poweshiek	61	-----
Ringgold	1,629	-----
Sac	14	-----
Scott	487	-----
Shelby	189	-----
Sioux	30	-----
Story	125	-----
Tama	79	-----
Taylor	3,033	-----
Union	286	-----
Van Buren	2,136	-----
Wapello	1,394	-----
Warren	2,950	-----
Washington	313	-----
Wayne	284	-----
Woodbury	5,980	-----
Worth	1	-----
Reserve new farms	2,500	-----
Reserve missed farms and corrections	501	-----
Total	115,485	4

KANSAS

Allen	22,678	-----
Anderson	25,274	-----
Atchison	26,711	-----
Barber	120,937	-----
Barton	233,830	-----
Bourbon	16,959	-----
Brown	36,792	-----
Butler	61,007	-----
Chase	17,812	-----
Chautauqua	11,925	-----
Cherokee	67,736	-----
Cheyenne	119,358	-----
Clark	161,917	-----
Clay	94,055	-----
Cloud	119,572	-----
Coffey	24,569	-----
Cornache	100,291	-----
Cowley	95,691	-----
Crawford	31,393	-----
Decatur	102,289	-----
Dickinson	140,791	-----
Doniphan	13,146	-----
Douglas	28,725	-----
Edwards	148,473	-----
Elk	10,992	-----
Ellis	151,477	-----
Ellsworth	115,410	-----
Finnney	199,459	-----
Ford	270,940	-----
Franklin	23,139	-----
Geary	27,554	-----
Gove	118,892	-----
Graham	120,405	-----
Grant	90,143	-----
Gray	208,495	-----
Greeley	142,042	-----
Greenwood	17,683	-----
Hamilton	143,769	-----
Harper	191,098	-----
Harvey	101,136	-----
Haskell	147,725	-----
Hodgeman	154,293	-----
Jackson	33,117	-----
Jefferson	30,358	-----
Jewell	116,113	-----
Johnson	22,487	-----
Kearny	105,900	-----
Kingman	168,089	-----
Kiowa	118,491	-----
Labette	54,542	-----
Lane	117,435	-----
Leavenworth	21,113	-----

KANSAS—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Lincoln	116,747	-----
Linn	21,615	-----
Logan	113,855	-----
Lyon	32,476	-----
McPherson	198,516	-----
Marion	118,090	-----
Marshall	75,667	-----
Meade	169,961	-----
Miami	24,303	-----
Mitchell	169,494	-----
Montgomery	40,581	-----
Morris	41,593	-----
Morton	86,783	-----
Nemaha	30,437	-----
Neosho	39,547	-----
Ness	196,888	-----
Norton	84,617	-----
Osage	23,955	-----
Osborne	139,996	-----
Ottawa	117,296	-----
Pawnee	262,865	-----
Phillips	90,718	-----
Pottawatomie	30,241	-----
Prairie	171,495	-----
Rawlins	128,306	-----
Reno	276,770	-----
Republic	88,505	-----
Rice	161,369	-----
Riley	31,973	-----
Rooks	138,381	-----
Rush	181,148	-----
Russell	148,263	-----
Saline	127,354	-----
Scott	120,017	-----
Sedgwick	186,491	-----
Seward	163,872	-----
Shawnee	34,079	-----
Sheridan	122,340	-----
Sherman	158,247	-----
Smith	106,179	-----
Stafford	167,598	-----
Stanton	128,351	-----
Stevens	162,244	-----
Sumner	290,826	-----
Thomas	195,635	-----
Trego	129,682	-----
Wabamsee	26,335	-----
Wallace	83,943	-----
Washington	84,472	-----
Wichita	115,594	-----
Wilson	41,951	-----
Woodson	13,631	-----
Wyandotte	2,653	-----
Reserve new farms	10,615	-----
Reserve missed farms and corrections	8,932	-----
Total	10,615,188	-----

KENTUCKY

Adair	1,351	-----
Allen	1,947	-----
Anderson	392	-----
Ballard	928	-----
Barren	1,898	-----
Bath	1,358	-----
Boone	1,935	-----
Bourbon	4,872	-----
Boyd	38	-----
Boyle	2,343	-----
Bracken	1,212	-----
Breckinridge	4,785	-----
Bullitt	1,523	-----
Butler	793	-----
Caldwell	1,696	-----
Calloway	4,123	-----
Campbell	662	-----
Carlisle	484	7
Carroll	352	-----
Carter	149	-----
Casey	617	-----
Christian	16,641	-----
Clark	793	-----
Clinton	975	-----
Crittenden	1,222	-----
Cumberland	133	-----
Davies	5,236	-----
Edmonson	475	-----
Estell	19	2
Fayette	2,039	-----
Fleming	1,467	-----
Franklin	472	-----
Fulton	2,556	-----
Gallatin	272	-----
Garrard	1,222	-----
Grant	491	-----
Graves	3,820	-----
Grayson	3,022	-----
Green	1,247	-----
Greene	194	-----
Hancock	1,179	-----

KENTUCKY—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Hardin	3,527	
Harrison	2,534	
Hart	826	
Henderson	3,957	
Henry	1,490	
Hickman	3,669	
Hopkins	3,865	
Jackson	82	
Jefferson	2,359	
Jessamine	1,996	
Kenton	197	
Knox	41	
Larue	1,548	
Laurel	65	
Lee	3	
Lewis	551	
Lincoln	1,781	
Livingston	754	
Leban	14,202	
Lyon	629	
McCracken	562	
McLean	2,203	
Madison	659	
Magnolia	2	1
Marion	1,556	
Marshall	1,104	
Mason	4,110	
Meade	3,451	
Mercer	2,020	
Metcalfe	638	
Monroe	1,325	
Montgomery	756	
Morgan	40	
Muhlenberg	2,875	
Nelson	3,705	
Nicholas	1,179	
Ohio	1,217	
Oldham	1,825	
Owen	353	
Pendleton	1,013	
Powell	57	
Pulaski	1,588	
Robertson	436	
Rockcastle	173	
Rowan	134	
Russell	462	
Scott	2,190	
Shelby	3,492	
Simpson	10,938	
Spencer	1,007	
Taylor	3,407	
Tedd	9,571	
Trier	5,491	
Trimble	1,288	
Union	7,368	
Warren	3,241	
Washington	1,775	
Wayne	1,141	
Webster	4,445	
Whitley	1	
Wolfe	10	
Woodford	2,452	
Reserve new farms	2,139	
Reserve missed farms and corrections	2,135	
Total	213,891	10

MARYLAND

Allegany	1,113	
Anne Arundel	1,756	
Baltimore	6,176	
Calvert	828	
Caroline	12,004	
Carroll	18,671	
Cecil	8,548	
Charles	4,027	
Dorchester	10,811	
Frederick	22,020	
Garrett	1,821	
Harford	4,050	
Howard	5,227	
Kent	12,039	
Montgomery	8,942	
Prince Georges	2,889	
Queen Annes	17,427	
St. Marys	5,345	
Somerset	671	
Talbot	15,483	
Washington	15,844	
Wicomico	858	
Worcester	1,306	
Reserve new farms	448	
Reserve missed farms and corrections	894	
Total	178,898	

MICHIGAN

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Alcona	1,901	
Alcona	10	
Alcona	22,569	
Alcona	4,448	
Antrim	739	
Arenac	3,973	
Baraga	12	
Barry	19,623	
Bay	18,826	
Benzie	240	
Berrien	12,811	
Branch	21,435	
Calhoun	28,324	
Cass	15,291	
Charlevoix	1,242	
Cheboygan	828	
Chippewa	539	
Clare	2,262	
Clinton	31,858	
Crawford	5	
Delta	126	
Eaton	30,675	
Emmet	737	
Genesee	24,132	
Gladwin	3,191	
Grand Traverse	1,873	
Gratiot	27,410	
Hillsdale	23,375	
Houghton	41	
Huron	48,903	
Ingham	23,800	
Ionia	20,172	
Iosco	1,334	
Isabella	17,171	
Jackson	16,795	
Kalamazoo	23,285	
Kalkaska	276	
Kent	17,594	
Lake	587	
Lapeer	21,369	
Leelanau	878	
Lenawee	40,638	
Livingston	19,755	
Luce	33	
Mackinac	67	
Macomb	13,676	
Manistee	831	
Marquette	3	
Mason	4,780	
Meosco	5,691	
Memoline	272	
Midland	7,523	
Missaukee	1,611	
Monroe	31,303	
Montcalm	17,664	
Montmorency	1,064	
Muskegon	4,134	
Newaygo	5,078	
Oakland	11,578	
Oceana	3,243	
Ogemaw	1,725	
Ontonagon	74	
Oscoda	3,225	
Oscoda	118	
Otsego	274	
Ottawa	16,070	
Presque Isle	3,132	
Roscommon	57	
Saginaw	40,750	
St. Clair	26,613	
St. Joseph	21,994	
Sanilac	48,295	
Schoolcraft	41	
Shiawassee	31,773	
Tuscola	42,707	
Van Buren	11,664	
Washtenaw	26,638	
Wayne	8,009	
Wexford	754	
Reserve new farms	750	
Reserve missed farms and corrections	250	
Total	957,020	

MINNESOTA

Aitkin	254	
Anoka	167	
Becker	15,024	
Beltrami	1,280	
Benton	257	
Big Stone	9,210	
Blue Earth	3,934	
Brown	590	
Carlton	8	
Carver	907	
Cass	94	
Chippewa	1,116	

MINNESOTA—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Chisago		177
Clay	71,257	
Clearwater	3,278	
Cottonwood	292	
Crow Wing	80	
Dakota	5,310	
Dodge	265	
Douglas	5,401	
Faribault	476	
Filmore	245	
Froeborn	370	
Goodhue	4,035	
Grant	5,094	
Hennepin	242	
Houston	233	
Hubbard	746	
Isanti	1,023	
Itasca	215	
Jackson	80	
Kanabec	66	
Kandiyohi	1,297	
Kittson	85,532	
Koochiching	1,147	
Lac qui Parle	3,793	
Lake of the Woods	3,702	
Le Sueur	4,292	
Lincoln	1,695	
Lyon	1,632	
McLeod	2,919	
Mahnomen	10,490	
Marshall	93,844	
Martin	138	
Meeker	2,481	
Mill Lake	310	
Morrison	1,137	
Mower	382	
Murray	87	
Nicollet	1,631	
Nobles	46	
Norman	45,124	
Olmsted	721	
Otter Tail	25,146	
Pennington	9,139	
Pine	112	
Pipestone	46	
Polk	125,625	
Pope	3,910	
Rainey	19	
Red Lake	8,222	
Redwood	1,654	
Renville	3,230	
Rice	1,831	
Rock	9	
Roseau	25,032	
St. Louis	217	
Scott	1,807	
Sherburne	804	
Sibley	3,808	
Stearns	3,263	
Steele	247	
Stevens	5,715	
Swift	3,190	
Todd	1,223	
Traverse	17,858	
Wabasha	960	
Wadena	469	
Waseca	1,111	
Washington	662	
Watonwan	144	
Wilkin	49,637	
Winona	570	
Wright	2,269	
Yellow Medicine	3,163	
Reserve new farms	2,068	
Reserve missed farms and corrections	1,398	
Total	699,354	

MISSOURI

Adair	5,211	
Andrew	7,714	
Atchison	11,525	
Audrain	17,718	
Barry	6,174	
Barton	26,330	
Bates	26,330	
Benton	8,289	
Bollinger	6,531	
Boone	12,193	
Buchanan	18,618	
Butler	5,640	588
Caldwell	10,684	
Callaway	13,157	
Camden	1,031	40
Cape Girardeau	14,098	
Carroll	35,394	
Carter	398	

MISSOURI—Continued

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Cass	14,897	
Cedar	10,469	
Chariton	23,696	
Christian	4,381	287
Clark	9,668	
Clay	9,497	
Clinton	8,381	
Cole	9,646	
Cooper	17,453	
Crawford	2,437	
Dade	10,179	
Dallas	3,283	88
Davies	15,461	
De Kalb	9,666	
Dent	2,113	
Douglas	1,975	35
Dunkin	4,173	
Franklin	19,290	
Gasconade	12,108	
Gentry	9,739	
Greene	9,139	138
Grundy	4,661	
Harrison	9,835	
Henry	17,000	
Henry	3,496	
Hickory	10,680	
Holt	13,273	
Howard	2,559	
Howell	645	
Iron	12,467	
Jackson	37,002	
Jasper	5,620	
Jefferson	14,199	
Jones	8,799	
Knox	4,616	145
Laclede	24,220	
Lafayette	18,351	
Lawrence	17,657	
Lincoln	19,661	
Linn	7,175	
Livingston	12,172	
McDonald	2,985	
Macon	9,053	
Madison	1,822	
Marion	5,506	
Marion	16,421	
Mercer	3,700	
Miller	6,022	
Mississippi	13,278	
Moniteau	10,078	
Monroe	17,145	
Montgomery	15,421	
Morgan	7,250	
New Madrid	16,037	
Newton	16,748	
Nodaway	10,559	
Oregon	1,578	
Osage	10,618	
Ozark	1,230	
Pemiscot	1,610	
Perry	15,634	
Pettis	18,748	
Phelps	3,839	
Pike	15,087	
Platte	25,786	
Polk	10,607	
Pulaski	1,205	
Putnam	1,078	
Rails	12,632	
Ralls	9,794	
Randolph	20,589	
Ray	935	
Reynolds	1,921	
Ripley	24,718	
St. Charles	14,974	
St. Clair	2,670	
St. Francois	18,044	
St. Louis	4,962	
St. Genevieve	31,084	
Saline	1,372	
Schuyler	4,725	
Scotland	19,832	
Scott	839	
Shannon	13,921	
Shelby	23,076	
Stoddard	1,146	100
Stone	2,951	
Sullivan	141	
Taney	6,462	
Texas	28,757	
Vernon	14,299	
Warren	1,493	
Washington	1,598	
Wayne	4,389	280
Webster	3,948	
Worth	2,601	208
Wright	1,500	
Reserve new farms		
Reserve missed farms and corrections	1,000	
Total	1,253,735	1,012

MONTANA

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Beaverhead	9,728	
Big Horn	67,314	
Blairstown	82,177	
Broadwater	25,663	
Carbon	30,119	
Carter	28,843	
Cascade	127,910	
Chouteau	344,394	
Custer	20,833	
Daniels	191,909	
Dawson	129,717	
Deer Lodge	1,008	
Fallon	84,640	
Fergus	153,693	
Flathead	25,673	
Gallatin	64,617	
Garfield	41,875	
Glacier	48,734	
Golden Valley	18,597	
Granite	1,331	
Hill	308,617	
Jefferson	9,266	
Judith Basin	80,361	
Lake	20,304	
Lewis and Clark	14,676	
Liberty	162,162	
Lincoln	894	
McCone	163,738	
Madison	11,427	
Meagher	3,936	
Mineral	930	
Missoula	8,668	
Musselshell	16,985	
Park	23,108	
Petroleum	6,831	
Phillips	88,370	
Ponders	147,067	
Powder River	29,126	
Powell	5,399	
Prairie	26,294	
Ravalli	7,290	
Richland	136,866	
Roosevelt	253,760	
Rosebud	24,629	
Sanders	7,175	
Sheridan	211,388	
Silver Bow	67	
Stillwater	68,062	
Sweet Grass	11,093	
Teton	138,520	
Toole	100,925	
Treasure	5,985	
Valley	229,726	
Wheatland	9,599	
Wibaux	62,593	
Yellowstone	83,676	
Reserve new farms	4,000	
Reserve missed farms and corrections	2,663	
Total	4,042,623	

NEBRASKA

Adams	90,368
Antelope	6,816
Arthur	10
Banner	56,055
Blaine	1
Box Butte	11,277
Boyd	99,519
Boyd	1,955
Brown	2,364
Buffalo	43,887
Burt	8,473
Butler	47,333
Cass	27,075
Cedar	349
Chase	74,191
Cherry	1,286
Cheyenne	167,219
Clay	85,565
Collax	18,964
Cumming	1,524
Custer	50,157
Dakota	208
Dawes	43,813
Dawson	19,886
Deuel	68,771
Dixon	202
Dodge	25,382
Douglas	2,382
Dundy	32,500
Fillmore	85,434
Franklin	44,141
Frontier	55,936
Furnas	61,836
Gage	80,137
Garden	42,636
Garfield	160

NEBRASKA—Continued

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Gosper	31,792	
Greeley	10,096	
Hall	33,906	
Hamilton	61,892	
Harlan	54,005	
Hayes	43,302	
Hitchcock	71,453	
Holt	7,138	
Hooker	12	
Howard	25,379	
Jefferson	60,636	
Johnson	24,258	
Kearney	70,725	
Keith	72,302	
Keya Paha	1,071	
Kimball	135,614	
Knox	3,552	
Lancaster	69,409	
Lincoln	56,575	
Loup	6,677	
Loup	242	
McPherson	70	
Madison	5,738	
Merrick	24,661	
Merrill	36,577	
Nance	21,468	
Nemaha	24,132	
Nuckolls	49,385	
Otoe	38,205	
Pawnee	15,831	
Perkins	140,808	
Phelps	56,806	
Pierce	1,939	
Platte	21,584	
Polk	26,185	
Redwillow	60,096	
Richardson	26,488	
Rock	55	
Saline	77,356	
Sarpy	3,875	
Saunders	32,154	
Scotts Bluff	16,886	
Seward	57,410	
Sheridan	55,445	
Sherman	15,820	
Sioux	8,445	
Stanton	1,527	
Thayer	73,344	
Thurston	400	
Valley	16,132	
Washington	8,637	
Wayne	360	
Webster	43,396	
Wheeler	142	
York	54,377	
Reserve new farms	3,000	
Reserve missed farms and corrections	1,004	
Total	3,204,827	

NEW JERSEY

Atlantic	8
Bergen	7
Burlington	3,428
Camden	495
Cape May	151
Cumberland	910
Essex	12
Gloucester	622
Hunterdon	9,378
Mercer	9,517
Middlex	6,667
Monmouth	10,199
Morris	791
Ocean	230
Passaic	1
Salem	2,930
Somerset	4,753
Sussex	264
Union	28
Warren	3,066
Reserve new farms	300
Reserve missed farms and corrections	202
Total	53,859

NEW MEXICO

Bernalillo	1,399
Catron	414
Chaves	569
Collax	13,466
Curry	189,644
De Baca	481
Eddy	20

NEW MEXICO—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Grant	142	
Guanajuato	214	
Harding	26,042	
Hidalgo	16	
Lea	940	154
Lincoln	268	
McKinley	332	
Mora	1,525	
Otero	111	
Osay	117,353	
Rio Arriba	8,300	
Roosevelt	53,118	
Sandoval	1,217	
San Juan	858	
San Miguel	1,660	
Santa Fe	4,898	
Sierra	74	
Socorro	3,686	
Taos	2,041	
Torrance	25,898	
Union	10,241	
Valencia	4,279	
Reserve new farms	1,000	
Reserve missed farms and corrections	90	
Total	470,705	154

NEW YORK

Albany	2,040	
Allegany	3,946	
Broome	228	
Cattaraugus	1,520	
Cayuga	20,917	
Chautauque	3,275	
Chemung	2,333	
Chemung	819	
Clinton	34	
Columbia	2,220	
Cortland	703	
Delaware	103	
Dutchess	846	
Essex	12,134	
Franklin	448	
Fulton	192	
Genesee	23,061	
Greene	1,441	
Herkimer	1,105	
Jefferson	2,590	
Lewis	69	3
Livingston	28,672	
Madison	2,787	
Monroe	28,207	
Montgomery	2,108	
Nassau	281	
Niagara	19,931	
Oneida	2,314	
Oneida	10,381	
Ontario	27,833	
Orange	338	
Orleans	16,566	
Oswego	2,413	
Otsego	708	
Putnam	1	1
Rensselaer	1,731	
Rockland	19	
St. Lawrence	192	
Saratoga	1,170	
Schenectady	403	
Schoharie	1,908	
Schuyler	5,488	
Seneca	16,698	
Steuben	13,642	
Suffolk	1,671	
Sullivan	31	
Tioga	1,941	
Tompkins	7,098	
Ulster	1,308	
Warren	4	
Washington	715	
Wayne	17,101	
Westchester	53	
Wyooming	11,980	
Yates	13,092	
Reserve new farms	159	
Reserve missed farms and corrections	158	
Total	317,602	4

NORTH CAROLINA

Alamance	7,012	
Alexander	3,651	
Alleghany	217	
Anson	6,402	
Ashe	39	
Avery	19	

NORTH CAROLINA—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Beaufort	391	
Bertie	32	
Bladen	1,155	
Brunswick	245	
Buncombe	387	
Burke	2,441	
Cabarrus	8,140	
Camden	1,580	
Carteret	85	11
Caswell	86	
Catawba	5,365	
Chatham	12,302	
Cherokee	4,869	
Cherokee	49	
Chowan	67	
Clay	72	
Cleveland	11,373	
Columbus	525	
Craven	432	
Cumberland	5,397	
Currituck	107	
Davidson	8,960	
Davie	3,819	
Duplin	1,210	
Durham	1,282	
Edgecombe	503	
Forsyth	4,457	
Franklin	3,045	
Gaston	6,845	
Gates	160	6
Granville	2,145	
Greene	321	
Guilford	8,512	
Hallfax	1,755	
Harnett	4,328	
Haywood	73	
Henderson	155	
Hertford	101	
Hoke	2,333	
Hyde	64	8
Iredell	15,014	
Jackson	20	
Johnston	3,563	
Jones	189	
Lee	1,902	
Lenoir	989	
Lincoln	10,088	
McDowell	705	
Macon	83	
Madison	243	
Martin	128	8
Mecklenburg	6,162	
Mitchell	1	
Montgomery	2,470	
Moore	3,884	
Nash	2,504	
New Hanover	46	1
Northampton	849	
Onslow	112	
Orange	3,066	
Pamlico	272	
Pasquotank	193	13
Pender	380	3
Perquimans	177	
Person	4,019	
Pitt	591	
Folk	645	
Randolph	10,085	
Richmond	3,690	
Robeson	4,710	
Rockingham	5,895	
Rowan	15,278	
Rutherford	4,537	
Sampson	2,624	
Scotland	1,330	
Stanly	15,106	
Stokes	1,994	
Surry	1,885	
Swain	1	
Transylvania	29	
Tyrrell	215	
Union	12,621	
Vance	1,462	
Wake	4,997	
Warren	3,571	
Washington	272	
Watauga	80	
Wayne	2,296	
Wilkes	2,428	
Wilson	1,723	
Yadkin	4,874	
Yancey	3	
Reserve new farms	285	
Reserve missed farms and corrections	285	
Total	284,254	53

NORTH DAKOTA

Adams	146,294	
Barnes	181,633	

NORTH DAKOTA—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Benson	189,002	
Billings	36,140	
Bottineau	242,263	
Bowman	123,063	
Burke	137,632	
Burleigh	97,426	
Cass	193,532	
Cavalier	199,901	
Dickey	69,634	
Divide	178,806	
Dunn	127,669	
Eddy	85,448	
Emmons	135,493	
Foster	66,481	
Golden Valley	74,754	
Grand Forks	172,747	
Grant	135,263	
Griggs	66,338	
Hettinger	196,750	
Kidder	78,451	
La Moure	131,901	
Logan	100,144	
McHenry	189,283	
McIntosh	114,434	
McKenzie	156,118	
McLean	269,327	
Mercer	96,482	
Morton	156,036	
Mountain	211,910	
Nelson	112,759	
Oliver	56,389	
Pembina	168,850	
Pierce	147,534	
Ramsey	186,691	
Ransom	64,636	
Renville	123,088	
Richland	81,940	
Rolette	98,004	
Sargent	70,521	
Sheridan	110,812	
Sioux	43,038	
Slope	101,338	
Stark	158,182	
Steele	75,863	
Stutsman	245,643	
Towner	173,318	
Trails	68,994	
Walsh	178,999	
Ward	254,583	
Wells	169,123	
Williams	265,927	
Reserve new farms	5,129	
Reserve missed farms and corrections	5,130	
Total	7,327,856	

OHIO

Adams	12,325	
Allen	21,916	
Ashland	19,625	
Ashtabula	13,179	
Athens	1,775	
Aurubize	21,669	
Belmont	4,676	
Brown	13,716	
Butler	18,754	
Carroll	7,325	
Champaign	23,194	
Clark	22,120	
Clermont	9,675	
Clinton	29,713	
Columbiana	13,354	
Coshocton	12,494	
Crawford	23,505	
Cuyahoga	1,316	
Darke	33,422	
Defiance	26,019	
Delaware	17,829	
Erie	14,180	
Fairfield	32,132	
Fayette	32,679	
Franklin	24,445	
Fulton	24,635	
Gallia	2,690	
Geauga	5,025	
Greene	27,104	
Guernsey	4,616	
Hamilton	3,683	
Hancock	36,685	
Hardin	23,685	
Harrison	2,979	
Henry	31,295	
Highland	36,437	
Hocking	4,671	
Holmes	17,302	
Huron	27,730	
Jackson	2,603	
Jefferson	3,694	
Knox	23,965	
Lake	2,692	

RULES AND REGULATIONS

OHIO—Continued

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Lawrence	661	
Licking	26,500	
Logan	18,306	
Lorain	14,704	
Lucas	13,282	
Madison	30,300	
Mahoning	9,935	
Marion	19,385	
Medina	15,265	
Meigs	2,588	
Mercer	24,700	
Miami	27,620	
Monroe	2,328	
Montgomery	21,528	
Morgan	3,142	
Morrow	16,560	
Muskingum	10,281	
Noble	1,480	
Ottawa	16,569	
Pamlico	23,250	
Perry	10,086	
Pickaway	42,837	
Pike	4,479	
Portage	12,013	
Preble	25,448	
Putnam	35,709	
Richland	21,865	
Ross	39,432	
Sandusky	27,563	
Scioto	3,969	
Seneca	40,371	
Shelby	22,478	
Stark	20,889	
Summit	5,288	
Trumbull	9,190	
Tuscarawas	12,682	
Union	19,986	
Van Wert	25,636	
Vinton	1,494	
Warren	18,714	
Washington	4,335	
Wayne	32,999	
Williams	25,114	
Wood	48,789	
Wyandot	27,085	
Reserve new farms	2,000	
Reserve missed farms and corrections	1,011	
Total	1,538,108	

OKLAHOMA

Adair	643	
Alfalfa	221,048	
Atoka	107	1
Beaver	268,030	
Bockham	44,437	
Bhaine	150,288	
Bryan	3,730	
Caddo	88,285	
Canadian	138,523	
Carter	472	
Cherokee	836	
Choctaw	274	45
Cimarron	180,319	
Cleveland	8,508	
Coal	233	12
Comanche	55,296	
Cotton	104,073	
Craig	15,906	
Creek	1,486	
Custer	163,448	
Delaware	6,486	
Dewey	112,953	
Ellis	119,439	
Garfield	273,440	
Garvin	6,507	281
Grady	47,216	
Grant	272,833	
Greer	64,053	
Harmon	59,857	
Harpur	132,685	
Haskell	1,459	2
Hughes	466	36
Jackson	133,071	
Jefferson	7,062	
Johnston	424	
Kay	186,045	
Kingfisher	207,375	
Kiowa	187,040	
Le Flera	3,630	232
Lincoln	9,275	
Logan	71,284	
Love	624	
McClain	9,635	
McIntosh	1,372	10
Major	139,720	
Marshall	699	57
Mayes	7,369	

OKLAHOMA—Continued

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Murray	2,002	
Muskogee	8,411	
Noble	108,266	
Nowata	9,599	
Okfuskee	1,453	90
Oklahoma	22,632	
Okmulgee	2,625	
Osage	22,984	
Ottawa	21,607	
Pawnee	16,707	
Payne	19,737	
Pittsburg	1,205	120
Pontotoc	670	14
Pottawatomie	9,836	
Roger Mills	51,521	
Royals	9,634	
Seminole	1,294	
Sequoyah	4,727	77
Stephens	13,654	
Texas	396,920	
Tillman	164,683	
Tulsa	5,785	
Wagoner	10,600	
Washington	5,276	
Washita	199,901	
Woods	176,613	
Woodward	102,690	
Reserve new farms	2,000	
Reserve missed farms and corrections	500	
Total	4,878,623	977

OREGON

Baker	15,142	
Benton	5,383	
Clackamas	7,135	
Columbia	298	
Crook	3,639	
Deschutes	1,527	
Douglas	1,116	
Gilliam	88,305	
Grant	1,928	
Harney	2,742	
Jackson	1,495	
Jefferson	28,213	
Josephine	141	
Klamath	11,361	
Lake	17,057	
Lane	4,977	
Linn	7,694	
Malheur	15,316	
Marion	17,570	
Morrow	114,876	
Multnomah	479	
Polk	12,546	
Sherman	91,286	
Umatilla	198,039	
Union	42,089	
Wallowa	24,292	
Wasco	63,925	
Washington	14,838	
Wheeler	6,497	
Yamhill	10,490	
Reserve new farms	750	
Reserve missed farms and corrections	1,498	
Total	819,060	

PENNSYLVANIA

Adams	18,998	
Allegheny	3,075	
Armstrong	9,106	
Beaver	4,547	
Bedford	10,228	
Berks	28,706	
Blair	6,024	
Bradford	3,771	
Bucks	16,676	
Butler	11,531	
Cambria	5,165	
Cameron	22	
Carbon	2,822	
Centre	15,441	
Chester	13,604	
Clarion	8,571	
Clearfield	3,199	
Clinton	4,486	
Columbia	15,637	
Crawford	0,390	
Cumberland	22,188	
Dauphin	12,082	
Delaware	499	
Elk	363	
Erie	8,504	

PENNSYLVANIA—Continued

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Fayette	4,073	
Forest	288	
Franklin	20,136	
Fulton	7,497	
Greene	1,557	
Huntingdon	8,373	
Indiana	10,521	
Jefferson	5,498	
Junata	8,725	
Lackawanna	180	
Lancaster	50,310	
Lawrence	8,272	
Lebanon	12,723	
Lehigh	14,497	
Luzerne	4,112	
Lycoming	12,421	
McKean	136	
Mercer	10,604	
Mifflin	7,641	
Monroe	2,388	
Montgomery	11,414	
Montour	6,465	
Northampton	9,315	
Northumberland	15,242	
Perry	12,100	
Philadelphia	341	
Pike	48	
Potter	761	
Scrubbykill	9,990	
Snyder	10,672	
Somerset	6,669	
Sullivan	348	
Susquehanna	384	
Tioga	2,139	
Union	8,719	
Venango	3,159	
Warren	1,185	
Washington	7,093	
Wayne	69	
Westmoreland	11,707	
Wyoming	1,011	
York	44,458	
Reserve new farms	1,201	
Reserve missed farms and corrections	1,202	
Total	600,754	

SOUTH CAROLINA

Abbeville	4,490	
Aiken	3,701	
Allendale	2,193	
Anderson	18,762	
Bainberg	1,474	
Barnwell	1,451	
Berkeley	137	7
Calhoun	5,424	
Charleston	132	
Cherokee	4,596	
Chester	1,425	
Chesterfield	2,441	
Clarendon	1,344	
Colleton	289	12
Darlington	5,372	
Dillon	1,217	
Dorchester	143	
Edgefield	2,071	
Fairfield	679	
Florence	3,503	
Georgetown	79	
Greenville	7,554	
Greenwood	2,326	
Hampton	1,266	153
Horry	491	
Jasper	21	2
Kershaw	2,049	
Lancaster	1,530	
Laurens	7,345	
Lee	2,945	
Lexington	2,417	
McCormick	510	
Marion	367	
Marlboro	1,570	
Newberry	3,894	
Oconee	4,011	
Orangeburg	3,894	
Pickens	3,414	
Richland	3,432	
Saluda	2,817	
Spartanburg	13,269	
Sumter	4,024	
Union	1,512	
Williamsburg	643	
York	3,367	
Reserve new farms	250	
Reserve missed farms and corrections	150	
Total	136,151	174

SOUTH DAKOTA

Counties	Acreage appor- tioned to counties from State allotment	Acreage allotted from National Reserve
Aurora	11,760	
Beadle	80,709	
Bennett	46,261	
Bon Homme	2,777	
Brookings	1,573	
Brown	180,923	
Brule	12,472	
Buffalo	5,203	
Butte	10,833	
Campbell	87,202	
Charles Mix	31,236	
Clark	63,326	
Clay	4,430	
Codington	28,151	
Corson	117,793	
Custer	3,907	
Davison	1,671	
Day	74,305	
Deuel	1,778	
Dewey	60,224	
Douglas	3,875	
Edmunds	125,706	
Fall River	17,006	
Faulk	82,189	
Grant	12,985	
Gregory	16,148	
Hauk	35,463	
Hamlin	6,440	
Ham	70,022	
Hanson	1,178	
Handling	41,697	
Hughes	45,450	
Hutchinson	5,961	
Hyle	20,869	
Jackson	14,748	
Jerauld	20,730	
Jones	48,482	
Kingsbury	25,229	
Lake	735	
Lawrence	5,447	
Lincoln	139	
Lyman	60,668	
McCook	1,143	
McPherson	60,450	
Marshall	52,073	
Meade	57,867	
Mellette	27,254	
Miner	5,582	
Minnehaha	156	
Moody	251	
Pennington	40,097	
Perkins	141,398	
Potter	60,445	
Roberts	48,060	
Sanborn	4,711	
Shannon	19,841	
Spink	238,432	
Stanley	28,036	
Sully	100,209	
Todd	10,692	
Tripp	76,112	
Turner	759	
Union	8,910	
Walworth	86,530	
Wabashaugh	14,997	
Yankton	2,003	
Ziebach	36,648	
Reserve new farms	5,000	
Reserve missed farms and correc- tions	6,865	
Total	2,746,578	

TENNESSEE

Anderson	135	
Bedford	5,629	32
Benton	691	
Bledsoe	883	
Bloom	3,707	
Bradley	1,156	
Campbell	396	28
Cannon	519	
Carroll	800	
Carter	357	
Cheatam	2,060	
Chester	93	
Claborn	3,742	
Clay	701	
Cocke	2,353	
Coffee	3,222	
Crockett	138	
Cumberland	314	
Davison	1,571	
Decatur	90	8
De Kalb	1,210	
Dickson	1,416	
Dyer	1,321	83
Fayette	24	5
Fentress	728	
Franklin	6,412	
Gibson	1,249	

TENNESSEE—Continued

Counties	Acreage appor- tioned to counties from State allotment	Acreage allotted from National Reserve
Giles	3,926	
Granger	2,124	
Greene	9,065	
Grundy	632	
Hamblen	3,975	
Hamilton	499	
Hancock	1,210	
Hardeman	176	
Hardin	714	43
Hawkins	5,840	
Haywood	230	
Henderson	39	11
Henry	2,029	183
Hickman	637	
Houston	416	
Humphreys	1,139	
Jackson	361	
Jefferson	5,684	
Johnson	728	
Knox	1,644	
Lake	33	74
Lauderdale	149	14
Lawrence	4,913	
Lewis	144	
Lincoln	4,695	
London	3,105	
McMinn	1,729	
McNairy	21	3
Macon	1,160	
Madison	245	
Marion	490	
Marshall	3,839	
Mauzy	9,708	
Meigs	1,037	
Monroe	3,805	
Montgomery	6,310	
Moore	429	
Morgan	277	
Obion	5,429	177
Overton	1,827	
Perry	256	27
Pickett	732	
Polk	665	
Putnam	1,336	
Rhea	901	
Roane	925	
Robertson	20,026	
Rutherford	4,474	
Squatchie	239	
Seyler	3,434	
Shelby	313	47
Smith	680	
Stewart	515	14
Sullivan	3,253	
Sumner	6,154	
Tipton	662	89
Trousdale	358	
Union	107	
Union	527	
Van Buren	179	
Warren	2,491	
Washington	4,481	
Wayne	579	11
Weakley	2,872	190
White	1,034	
Williamson	6,511	
Wilson	2,892	
Reserve new farms	599	
Reserve missed farms and correc- tions	199	
Total	198,701	1,039

TEXAS

Archer	31,498	
Armstrong	88,564	
Atacosa	282	
Austin	4	
Bailey	17,619	
Bandera	50	
Bastrop	17	
Baylor	67,016	
Bee	13	
Bell	6,293	
Bexar	1,395	
Blanco	617	
Borden	1,948	
Bosque	3,533	
Bowie	117	
Brazos	8	2
Briscoe	53,383	
Brown	16,728	
Burnet	13	
Caldwell	13	
Callahan	19,963	
Carson	153,576	
Castro	103,432	
Childress	46,152	
Clay	51,200	
Cochran	2,809	
Coke	2,148	

TEXAS—Continued

Counties	Acreage appor- tioned to counties from State allotment	Acreage allotted from National Reserve
Coleman	23,847	
Collin	41,538	
Collingsworth	25,786	
Comal	1,313	
Comanche	1,735	
Concho	23,103	
Cooke	22,712	
Correll	8,135	
Cottle	26,736	
Crosby	36,599	
Culberson	37	5
Dallam	69,818	
Dallas	23,291	
Dawson	2,287	
Deaf Smith	201,949	
Delta	1,004	
Denton	33,742	
De Witt	4	
Dickens	23,307	
Donley	17,600	
Eastland	5,495	
Edwards	16	
Ellis	9,555	
Erath	1,367	
Falls	212	
Fannin	10,437	
Fisher	30,528	
Floyd	133,805	
Foard	69,720	
Galves	1,536	
Garza	2,007	
Gillespie	5,894	
Glasscock	354	28
Gonzales	19	
Gray	60,144	
Grayson	43,030	
Guadalupe	302	
Hale	62,756	
Hall	14,937	
Hamilton	4,114	
Hansford	229,550	
Hardeman	90,578	
Harris	8	
Hartley	86,663	
Haskell	52,416	
Hays	62	
Hemphill	37,551	
Henderson	8	3
Hill	1,515	
Hockley	950	
Hood	188	
Hopkins	7	2
Houston	6	1
Howard	2,879	
Hudspeth	18	4
Hunt	2,554	
Hutchinson	67,663	
Iron	57	
Jack	3,767	
Jackson	195	
Johnson	1,432	
Jones	59,314	
Karnes	294	9
Kaufman	1,161	13
Kendall	1,786	
Kent	6,094	
Kerr	1,461	
Kimble	296	
King	5,338	
Knox	51,613	
Lamar	2,311	59
Lamb	6,269	
Lampasas	1,420	
Limestone	34	1
Lipscomb	114,840	
Live Oak	132	
Llano	103	
Lubbock	4,671	
Lynn	4,294	
McCulloch	13,675	
McLennan	6,079	
Martin	356	
Mason	52	
Maverick	106	
Medina	208	
Menard	1,016	
Midland	13	2
Milam	143	
Mills	2,269	
Mitchell	8,517	
Montague	2,535	
Moore	143,399	
Motley	11,622	
Navarro	374	
Nolan	15,543	
Ochiltree	248,502	
Oldham	60,684	
Palo Pinto	2,740	
Parker	509	
Partner	102,700	
Pecos	3	
Potter	33,947	
Preddo	14	
Rains	11	2

TEXAS—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Randall	130,314	
Red River	409	17
Reeves	14	2
Roberts	30,619	
Rockwall	3,032	58
Runnels	36,368	
San Saba	2,069	
Schleicher	624	
Secury	12,442	
Shackelford	17,441	
Sherman	183,376	
Somervell	57	
Stephens	12,751	
Sterling	22,276	
Stonewall	22,307	
Swisher	110,917	
Tarrant	2,321	
Taylor	64,462	
Terry	13,808	
Tirole	32,438	
Tom Green	13	3
Tom Green	1,763	
Travis	102	
Tyvalde	122	
Van Zandt	122	
Victoria	10	
Walker	36	
Wharton	59	13
Wheeler	25,815	
Wichita	60,577	
Wilbarger	88,112	
Williamson	1,203	
Wilson	241	
Wise	4,553	
Yoakum	2,367	
Young	50,109	
Zavala	110	
Reserve new farms	6,000	
Reserve missed farms and corrections	2,001	
Total	4,149,071	223

UTAH

Beaver	1,705	
Box Elder	97,598	
Cache	33,662	
Carbon	1,419	
Daggett	35	
Davis	3,776	
Duchesne	2,886	
Emery	2,897	
Garfield	1,382	
Grand	440	
Iron	6,357	
Juab	29,771	
Kane	1,022	
Millard	28,489	
Morgan	2,134	
Piute	160	
Rich	3,640	
Salt Lake	19,206	
San Juan	31,137	
Sanpete	12,018	
Sevier	2,960	
Summit	1,353	
Tooele	7,174	
Utah	3,716	
Wasatch	17,276	
Wasatch	253	
Washington	6,667	
Wayne	334	
Weber	2,815	
Reserve new farms	200	
Reserve missed farms and corrections	301	
Total	314,303	

VIRGINIA

Acomac	499	
Albemarle	1,638	
Alleghany	143	
Amelia	4,992	
Amherst	1,715	
Appomattox	5,097	
Augusta	10,255	
Bath	354	
Bedford	5,675	
Bland	1,076	
Botetourt	1,480	
Brunswick	3,201	
Buchanan	14	
Buckingham	4,487	
Campbell	6,787	
Caroline	4,981	
Carroll	824	
Charles City	2,577	

VIRGINIA—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Charlotte	4,290	
Chesterfield	1,311	
Clarke	3,316	
Craig	547	
Culpeper	2,100	
Cumberland	3,153	
Dickenson	1	
Dinwiddie	2,196	
Elizabeth City	97	
Essex	5,589	
Fairfax	1,554	
Fauquier	5,737	
Floyd	1,537	
Fluvanna	1,670	
Franklin	4,777	
Frederick	4,213	
Giles	512	
Gloucester	696	
Goochland	1,803	
Grayson	621	
Greene	1,282	
Greensville	183	
Halifax	7,343	
Hanover	6,335	
Henrico	1,477	
Henry	994	
Highland	280	
Isle of Wight	59	
James City	849	
King and Queen	2,627	
King George	2,289	
King William	2,392	
Lancaster	991	
Lee	1,975	
Loudoun	8,063	
Louisa	3,731	
Lunenburg	2,355	
Madison	2,187	
Mathews	247	
Mecklenburg	5,899	
Middlesex	1,412	
Montgomery	1,292	
Nansemond	313	
Nelson	1,418	
New Kent	1,330	
Norfolk	1,559	
Northampton	107	
Northumberland	3,226	
Nottoway	1,967	
Orange	2,392	
Page	3,565	
Patriek	380	
Pittsylvania	13,210	
Powhatan	1,207	
Prince Edward	5,029	
Prince George	1,504	
Prince William	2,213	
Princess Anne	1,278	
Pulaski	1,136	
Rappahannock	848	
Richmond	3,669	
Roanoke	1,184	
Rockbridge	3,308	
Rockingham	10,848	
Russell	2,177	
Scott	1,953	
Shenandoah	5,499	
Smyth	1,833	
Southampton	352	
Spotsylvania	1,963	
Stafford	1,233	
Surry	362	
Sussex	565	
Tazewell	1,721	
Warren	1,656	
Warwick	12	
Washington	4,754	
Westmoreland	6,724	
Wise	23	
Wythe	3,650	
York	229	
Reserve new farms	505	
Reserve missed farms and corrections	124	
Total	252,514	

WASHINGTON

Adams	270,374	
Asotin	26,835	
Benton	101,861	
Chelan	4,593	
Chillam	91	
Clark	435	
Columbia	68,141	
Cowlitz	30	
Douglas	167,796	
Ferry	4,200	
Franklin	100,798	
Garfield	66,624	
Grant	133,363	

WASHINGTON—Continued

Counties	Acres apportioned to counties from State allotment	Acres allotted from National Reserve
Grays Harbor		139
Island		1,193
Jefferson		57
Klickitat		8,944
Lewis		56,383
Lincoln		3,331
Mason		276,667
Okanogan		9
Pacific		27,806
Pend Oreille		1
Pierce		962
San Juan		34
Skagit		219
Skamania		1,262
Spokane		1
Spokane		182
Spokane		110,191
Stevens		18,877
Thurston		551
Walla Walla		174,714
Whitman		381
Whitman		341,665
Yakima		30,782
Reserve new farms		2,405
Reserve missed farms and corrections		2,404
Total	1,994,450	

WEST VIRGINIA

Barbour	247	
Berkeley	3,823	
Braxton	6	
Brooke	357	
Cabell	153	
Doddridge	3	
Fayette	95	
Gilmer	1	
Grant	1,392	
Greenbrier	2,356	
Hampshire	2,134	
Hancock	383	
Hardy	1,996	
Harrison	25	
Jackson	258	
Jefferson	8,122	
Kanawha	1	
Lewis	25	
Lincoln	20	
Marion	23	
Marshall	612	
Mason	1,977	
Mercer	437	
Mineral	764	
Monongalia	138	
Monroe	3,019	
Morgan	1,499	
Nicholas	384	
Ohio	309	
Pendleton	2,114	
Pleasants	21	
Pocahontas	514	
Preston	1,121	
Putnam	487	
Raleigh	86	
Randolph	229	
Ritchie	19	
Roane	25	
Summers	410	
Taylor	58	
Tucker	40	
Tyler	63	
Upshur	131	
Wayne	73	
Webster	8	
Wetzel	43	
Wirt	86	
Wood	648	
Reserve new farms	300	
Reserve missed farms and corrections	3,000	
Total	40,030	

WISCONSIN

Adams	288	
Ashland	27	
Barron	128	
Bayfield	194	
Brown	285	
Buffalo	686	
Burnett	78	
Cadumet	503	
Chippewa	121	
Clark	291	
Columbia	1,628	
Crawford	153	
Dane	1,363	

WISCONSIN—Continued.

Counties	Acreage apportioned to counties from State allotment	Acreage allotted from National Reserve
Dodge	1,433	
Dor	1,694	
Douglas	169	
Dunn	211	
East Claire	238	
Florence	34	
Fond du Lac	664	
Forest	53	
Grant	360	
Green	135	
Green Lake	644	
Iowa	292	
Iron	7	
Jackson	389	
Jefferson	840	
Juneau	194	
Kenosha	1,510	
Kewaunee	812	
La Crosse	217	
Lafayette	128	
Langlade	302	
Lincoln	98	
Manitowoc	740	
Marathon	696	
Marinette	205	
Marquette	587	
Milwaukee	1,140	
Monroe	176	
Oconto	395	
Oneida	80	
Ottawa	305	
Osaukee	976	
Peppin	714	
Pierce	1,997	
Polk	284	
Portage	503	
Priest	19	
Racine	4,331	
Richland	161	
Rock	1,655	
Rusk	31	
St. Croix	654	
Sauk	1,489	
Sawyer	6	
Shawano	385	
Echoboygan	670	
Taylor	64	
Trempealeau	640	
Vernon	87	
Vilas	4	
Walworth	921	
Washington	69	
Washington	1,317	
Waukesha	1,709	
Waupaca	249	
Wausara	427	
Winnebago	568	
Wood	95	
Reserve new farms	100	
Reserve missed farms and corrections	206	
Total	40,215	

WYOMING

Albany	612	
Big Horn	1,595	
Campbell	31,064	
Carbon	11,744	
Converse	6,221	
Crook	26,782	
Fremont	3,223	
Goshute	60,104	
Hot Springs	215	
Johnson	6,041	
Laramie	75,610	
Lincoln	3,967	
Natrona	297	
Niobrara	6,476	
Park	2,864	
Platte	46,132	
Sheridan	13,026	
Sublette	7	
Sweetwater	21	
Teton	661	
Uinta	158	
Washakie	197	
Weston	8,911	
Reserve new farms	500	
Reserve missed farms and corrections	250	
Total	298,678	
Total, commercial States	54,900,115	7,737
Total, noncommercial States (not apportioned)	83,385	
National Reserve (not apportioned)		8,763
Total U. S.	54,983,500	16,500

(Sec. 375, 52 Stat. 66; 7 U. S. C. 1375. Interprets or applies sec. 334, 52 Stat. 54, 67 Stat. 151; 7 U. S. C. 1334)

Done at Washington, D. C., this 6th day of August 1956. Witness my hand and the seal of the Department of Agriculture.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 56-6439; Filed, Aug. 10, 1956; 8:45 a. m.]

Chapter VIII—Commodity Stabilization Service (Sugar), Department of Agriculture

Subchapter B—Sugar Requirements and Quotas [Sugar Reg. 811, Amdt. 4]

PART 811—CONTINENTAL SUGAR REQUIREMENTS AND AREA QUOTAS

Basis and purpose. The purpose of Sugar Regulation 811 is to determine, pursuant to section 201 of the Sugar Act of 1948, as amended (hereinafter called the "act"), the amount of sugar needed to meet the requirements of consumers in the continental United States for the calendar year 1956 and to establish, pursuant to sections 202, 204 and 411 of the act, sugar quotas for the supplying areas in terms of short tons of sugar, raw value, equal to the quantity determined by the Secretary of Agriculture to be needed in 1956. This regulation also establishes pursuant to section 207 the quantity of quota that may be filled by direct-consumption sugar and pursuant to section 208, quotas of liquid sugar which may be entered into the continental United States.

The act requires that the Secretary shall revise the determination of sugar requirements at such times during the calendar year as may be necessary. It now appears that an increase in the requirements for the calendar year 1956 is necessary. The purpose of this amendment is to make such determination conform to the requirements indicated on the basis of the factors specified in section 201 of the act and to establish quotas in accordance with the provisions of the recently amended act, and to give effect to such quotas.

The quotas established herein differ from those in effect under Sugar Regulation 811, Amendment 3 (21 F. R. 5709). To permit areas for which larger quotas or prorrations are hereby established to plan to market or to market in an orderly manner the larger quantity of sugar, it is essential that this amendment be made effective immediately. Therefore, it is hereby determined and found that compliance with the notice, procedure and effective date requirements of the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001), is impracticable, unnecessary and contrary to the public interest. The amendments made herein shall become effective upon publication in the FEDERAL REGISTER.

By virtue of the authority vested in the Secretary of Agriculture by the Sugar Act of 1948, as amended (61 Stat. 922, 65 Stat. 318, 7 U. S. C. 1100, Public Law

545, 84th Congress), and the Administrative Procedure Act (60 Stat. 237), §§ 811.80, 811.81, 811.82, 811.84 (a) and 811.85 (b) (1) of Sugar Regulation 811, as amended (20 F. R. 9848; 21 F. R. 2805, 4653, 5709), are further amended to read as hereinafter set forth.

1. Section 811.80 is amended to read:

§ 811.80 *Sugar requirements, 1956.* The amount of sugar needed to meet the requirements of consumers in the continental United States for the calendar year 1956 is hereby determined to be 8,675,000 short tons, raw value.

2. Section 811.81 is amended to read:

§ 811.81 *Basic quotas for domestic areas.* There are hereby established, pursuant to subsection (a) of section 202 of the act, for domestic sugar producing areas for the calendar year 1956 the following quotas:

Area:	Quotas in terms of short tons, raw value
Domestic beet sugar	1,884,975
Mainland cane sugar	580,025
Hawaii	1,052,000
Puerto Rico	1,003,750
Virgin Islands	12,000

3. Section 811.82 is amended to read:

§ 811.82 *Basic quotas for other areas.* There are hereby established, pursuant to subsections (b) and (c) of section 202 of the act, for foreign countries for the calendar year 1956, the following quotas:

Area:	Quotas in terms of short tons, raw value
Republic of the Philippines	980,000
Cuba	2,949,360
Other foreign countries	122,890

4. Paragraph (a) of § 811.84 is amended to read as follows:

§ 811.84 *Proration of quotas for foreign countries other than Cuba and the Republic of the Philippines—(a) Prorrations.* Pursuant to subsection (c) of section 202 of the act the 1956 quota for foreign countries other than Cuba and the Republic of the Philippines is hereby prorated, as adjusted to the extent required by section 411 of the act, as follows:

Country:	Prorrations as adjusted, short tons, raw value
Dominican Republic	35,008
El Salvador	4,141
Haiti	3,388
Mexico	14,515
Nicaragua	7,823
Peru	51,871
Unspecified countries	6,144
Total	122,890

5. Paragraph (b) (1) of § 811.85 is amended to read as follows:

§ 811.85 *Direct-consumption portion of quotas or prorrations.* . . .

(b) *Other areas.* (1) Pursuant to subsections (d), (e) and (h) of section 207 of the act, the quotas established in § 811.82 for the following listed areas may be filled by direct-consumption sugar not in excess of the following amount for each such area:

Direct-consumption sugar,
short tons,
raw value

Republic of the Philippines.....	59,920
Cuba	375,000
Other foreign countries.....	41,783

Statement of bases and considerations—Requirements. In major outline the bases and considerations for this action are the same as those for the action taken on July 26, 1956, in increasing requirements to 8,625,000 short tons, raw value, except that certain features of the situation have intensified.

For the year through July 28 domestic deliveries by primary distributors amounted to 200,000 tons more than those for the corresponding period last year. Deliveries by beet processors, however, were 124,000 tons less for the period than a year earlier with the result that deliveries of cane sugar exceeded those for the corresponding period last year by 324,000 tons.

As of July 28 supplies of cane sugar remaining to be charged against all quotas were 177,000 tons less than charges after July 28, 1955, although this smaller quota balance is offset in part by larger inventories in the hands of refiners and importers.

Sugar beet processors had 202,000 tons more to deliver after July 28 than they delivered after that date in 1955. On July 1 they had approximately 140,000 tons more to deliver than they delivered during the last half of 1955.

Quotas. To give effect to the increase in total sugar requirements made effective by this order, amendments have been made to §§ 811.80, 811.81, 811.82, 811.84 and 811.85 of Sugar Regulation 811, pursuant to the respective sections of the act referred to in each of the sections of the regulation. These amendments to the regulation make the following changes: (1) the quotas for domestic areas are increased by 27,500 tons to total 4,622,750 tons, with the increase distributed 7,081 tons to the Domestic Beet Sugar Area, 6,669 tons to the Mainland Cane Sugar Area, and 13,750 tons to Puerto Rico; (2) the quotas for foreign countries other than the Republic of the Philippines are increased by 22,500 tons to 3,072,250 tons which is distributed among such foreign countries as provided in sections 202 (c) and 411 of the amended act; (3) the total direct-consumption portion of the quota for foreign countries other than Cuba and the Republic of the Philippines is increased by 306 tons.

(Sec. 403, 61 Stat. 932; 7 U. S. C. 1153)

Done at Washington, D. C., this 7th day of August 1956.

[SEAL]

TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 56-6502; Filed, Aug. 10, 1956; 8:51 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Valencia Orange Reg. 81]

PART 922—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

LIMITATION OF HANDLING

§ 922.381 *Valencia Orange Regulation 81—(a) Findings.* (1) Pursuant to the marketing agreement and Order No. 22, as amended (7 CFR Part 922; 21 F. R. 4392), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said order, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The Valencia Orange Administrative Committee held an open meeting on August 9, 1956, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed on or before the effective date hereof.

(b) *Order.* (1) The quantity of Valencia oranges grown in Arizona and

designated part of California which may be handled during the period beginning at 12:01 a. m., P. s. t., August 12, 1956, and ending at 12:01 a. m., P. s. t., August 19, 1956, is hereby fixed as follows:

(i) District 1: Unlimited movement;
(ii) District 2: 785,400 cartons;
(iii) District 3: Unlimited movement.
(2) All Valencia oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "handler," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said marketing agreement and order, as amended.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: August 10, 1956.

[SEAL]

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Marketing Service.

[F. R. Doc. 56-6553; Filed, Aug. 10, 1956; 11:25 a. m.]

[Lemon Reg. 654]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.761 *Lemon Regulation 654—(a) Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 20 F. R. 8451; 21 F. R. 4393), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of lemons, grown in the State of California or in

the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on August 8, 1956, such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein-after specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., August 12, 1956, and ending at 12:01 a. m., P. s. t., August 19, 1956, is hereby fixed as follows:

- (i) District 1: Unlimited movement;
 - (ii) District 2: 302,250 cartons;
 - (iii) District 3: Unlimited movement.
- (2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: August 9, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Marketing
Service.

[F. R. Doc. 56-6543; Filed, Aug. 10, 1956;
8:56 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6503]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

LEANN FINE FURS, INC., ET AL.

Subpart—*Advertising falsely or misleadingly:* § 13.30 *Composition of goods:* Fur Products Labeling Act; § 13.73 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.135 *Nature:* Product or service; § 13.155 *Prices:* Comparative; savings and discounts subsidized; § 13.235 *Source or origin:* Place; *Foreign, in general.* Subpart—*Invoicing products falsely:* § 13.1108 *Invoicing products falsely:* Fur Products Labeling Act. Subpart—*Misbranding or mislabeling:* § 13.1190 *Composition:* Fur Products Labeling Act; § 13.1212 *Formal regula-*

tory and statutory requirements: Fur Products Labeling Act; § 13.1260 *Nature.* Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1845 *Composition:* Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.1870 *Nature:* Fur Products Labeling Act; § 13.1880 *Old, used, reclaimed, or reused as unused or new:* § 13.1900 *Source or origin:* Fur Products Labeling Act; *Place.*

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U. S. C. 45, 69f) [Modified order to cease and desist, LeAnn Fine Furs, Inc., et al., East St. Louis, Ill., Docket 6503, July 27, 1956]

In the Matter of LeAnn Fine Furs, Inc., a Corporation, and David Sandow and Sylvia Sandow, Individually and as Officers of Said Corporation

Order modifying Commission's decision of May 24, 1956—charging a corporation and its officers, with office in East St. Louis, Ill., with violating the Fur Products Labeling Act, and the Federal Trade Commission Act, through false advertising, misbranding, and false invoicing of fur products, through failing to disclose in newspaper advertisements, on attached labels, and on invoices, the information required by the act; and in advertisements naming animals other than those specified in the Fur Products Name Guide, and misrepresenting the amount of savings possible to purchasers.

The modified order to cease and desist is as follows:

It is ordered, That respondent LeAnn Fine Furs, Inc., a corporation, and its officers, and respondent David Sandow and respondent Sylvia Sandow, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation, or distribution of fur products which have been made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur" and "fur products" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement, or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products, and which:

1. Fails to disclose:
 - a. The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide, and as prescribed under the rules and regulations;
 - b. That the fur products contain or are composed of secondhand or used fur when such is a fact;

c. That the fur products contain or are composed of bleached, dyed, or otherwise artificially colored fur when such is a fact;

d. The name of the country of origin of imported furs contained in the fur products.

2. Makes use of comparative prices or percentage saving claims unless such compared prices or claims are based upon the current market value of the fur product or upon a bona fide compared price at a designated time.

3. Contains the name or names of an animal or animals other than those producing the fur contained in the fur product.

B. Misbranding fur products by:

1. Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produced the fur from which such product was manufactured;

2. Failing to affix labels to fur products showing:

a. The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

b. That the fur product contains or is composed of used fur when such is a fact;

c. That the fur product contains or is composed of bleached, dyed, or artificially colored fur when such is a fact;

d. That the fur product is composed in whole or in substantial part of paws, tails, bellies or waste fur when such is a fact;

e. The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce;

f. That name of the country of origin of any imported furs used in the fur product.

C. Making comparative pricing claims or representations unless there is maintained full and adequate records disclosing the facts upon which such claims or representations are based.

D. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices showing:

- a. The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

b. That the fur product contains or is composed of used fur when such as a fact;

c. That the fur product contains or is composed of bleached, dyed, or artificially colored fur when such is a fact;

d. That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur when such is a fact;

e. The name and address of the person issuing such invoices;

f. The name of the country of origin of any imported furs contained in the fur product.

By "Order Reopening Proceeding and Modifying Initial Decision", report of compliance was required as follows:

It is further ordered, That respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: July 27, 1956.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F. R. Doc. 56-6479; Filed, Aug. 10, 1956;
8:46 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter I—Federal Home Loan Bank Board

Subchapter C—Federal Savings and Loan System [No. 9902]

PART 145—OPERATIONS

AMENDMENT LIBERALIZING LOAN PROVISIONS

AUGUST 7, 1956.

Resolved that, pursuant to Part 108 of the General Regulations of the Federal Home Loan Bank Board (24 CFR Part 108) and § 142.1 of the rules and regulations for the Federal Savings and Loan System (24 CFR 142.1), Part 145 of the rules and regulations for the Federal Savings and Loan System (24 CFR Part 145) is hereby amended as follows, effective August 7, 1956:

(1) The table of contents to Part 145 is hereby amended by striking out the language "145.6-7 Real estate loans and investments subject to 15-percent-of-assets limitation" and inserting in lieu thereof the language "145.6-7 Real estate loans and investments subject to 20-percent-of-assets limitation";

(2) The title of § 145.6-7 is hereby amended by striking out the language "15-percent-of-assets" and inserting in lieu thereof the language "20-percent-of-assets";

(3) Section 145.6-7 is hereby amended by striking out the figure "15" and inserting in lieu thereof the figure "20";

(4) Section 145.8 is hereby amended by striking out in the first proviso the language "\$2,500" and inserting in lieu thereof the language "\$3,500".

Resolved further that, as these amendments only liberalize the terms and conditions under which Federal savings and loan associations are permitted to make or invest in certain loans, the Board hereby finds that notice and public procedure thereon are unnecessary under the provisions of § 108.12 of the general regulations of the Federal Home Loan Bank Board (24 CFR 108.12) or section 4 (a) of the Administrative Procedure Act and, as such amendments relieve restrictions, deferment of the effective date thereof is not required under section 4 (c) of said act.

(Sec. 5, 48 Stat. 132, as amended; 12 U. S. C. 1464)

By the Federal Home Loan Bank Board.

[SEAL] HARRY W. CAULSEN,
Secretary.

[F. R. Doc. 56-6487; Filed, Aug. 10, 1956;
8:47 a. m.]

Chapter II—Federal Housing Administration, Housing and Home Finance Agency

MISCELLANEOUS AMENDMENTS TO CHAPTER

Subchapter B—Property Improvement Loans

PART 201—CLASS 1 AND CLASS 2 PROPERTY IMPROVEMENT LOANS

1. In § 201.1 paragraphs (i) and (p) are amended to read as follows:

§ 201.1 Definitions. * * *

(i) "Borrower" means one who applies for and receives a loan in reliance upon the provisions of the Act and whose interest in the property to be improved is:

- (1) A fee title, or
- (2) A life estate, or
- (3) A fee title or life estate subject to a mortgage, deed of trust, or other lien securing a debt, or
- (4) A mutually binding contract for the purchase of the property where the borrower is rightfully in possession and the purchase price is payable in installments, or

(5) A lease having a fixed term, expiring not less than six calendar months after the maturity of the loan.

The borrower or borrowers shall have at least one-third of one of such interests in the property to be improved.

(p) "Existing structure" means a residential structure completed and occupied at least 90 days prior to the application for the Title I loan or a structure for other than residential purposes which was a completed building with a distinctive functional use prior to the application for the Title I loan: *Provided*, That the requirement with respect to the period of occupancy and completion of a new residential structure shall not apply to loans having a principal amount, exclusive of financing charges, of \$600 or less or where such residential structures have been damaged in a disaster which the President, pursuant to section 2 (a) of Public Law 875, approved September 30, 1950, has determined to be a major disaster.

2. In § 201.2 paragraphs (c) and (d) (2) (i) are amended to read as follows:

§ 201.2 Eligible notes. * * *

(c) *Payments*. The note shall be payable in equal monthly installments. The first installment or the final installment may be more or less than the other installments provided that it is not less than one-half or more than one and one-half times the amount of a regular installment. A note may not provide for a first payment more than two calendar months from the date of the note. However, if 51 percent or more of the income of the borrower is derived directly from

the sale of agricultural crops, commodities, or livestock produced by him, a note may be made payable in installments corresponding to income periods shown on the Credit Application. In such cases, the first payment must be made within 12 months of the date of the note and at least one payment shall be made in each 12 months thereafter, provided that no two payments shall be more than 12 months apart, and the proportion of total principal to be paid in later years shall not exceed the proportion of total principal payable in earlier years.

(d) *Maturity*. * * *

(2) *Maximum*. * * *

(i) A Class 1 (a) or a Class 2 (a) loan having a principal amount, exclusive of financing charges, of \$600 or less is 3 years and 32 days from the date of the note; and a Class 1 (a) or a Class 2 (a) loan having a principal amount, exclusive of financing charges, of more than \$600 is 5 years and 32 days from the date of the note.

3. In § 201.3 paragraphs (a), (b) and (c) are amended to read as follows:

§ 201.3 *Maximum amount of loans—*
(a) *Class 1 (a) loan*. A Class 1 (a) loan shall not involve a principal amount, exclusive of financing charges, in excess of \$3,500.

(b) *Class 1 (b) loan*. A Class 1 (b) loan shall not involve a principal amount, exclusive of financing charges, in excess of \$2,500 per dwelling unit in the improved structure and shall not exceed \$15,000.

(c) *Class 2 loan*. A Class 2 loan shall not involve a principal amount, exclusive of financing charges, in excess of \$3,500.

4. In § 201.4 paragraph (a) is amended to read as follows:

§ 201.4 *Financing charges—*(a) *Maximum charge*. The maximum permissible financing charges, exclusive of fees and charges as provided by paragraph (b) of this section which may be paid or collected for interest, discount, and fees of all kinds in connection with the transaction, shall be computed as follows:

(1) Class 1 and Class 2 loans, having a principal amount, exclusive of financing charges, not in excess of \$2,500 and having a maturity not in excess of 7 years and 32 days, may have a financing charge not in excess of an amount equivalent to \$5.00 discount per \$100 original face amount of a 1-year note, to be paid in equal monthly installments, calculated from the date of the note.

(2) Class 1 and Class 2 loans, having a principal amount, exclusive of financing charges, in excess of \$2,500 and a maturity not in excess of 7 years and 32 days, may have a financing charge equivalent to the total of (i) an amount, with respect to so much of the net loan proceeds as does not exceed \$2,500, equivalent to \$5.00 discount per \$100 original face amount of a 1-year note payable in equal monthly installments, plus (ii) an amount, with respect to any portion of the net loan proceeds in excess of \$2,500, equivalent to \$4.00 discount per \$100 original face amount of a 1-year note to be paid in equal monthly installments, calculated from the date of the note.

(3) Class 2 (b) loans, having a maturity in excess of 7 years and 32 days, shall not have a financing charge in excess of an amount equivalent to \$3.50 discount per \$100 original face amount of a one year note, to be paid in equal monthly installments, calculated from the date of the note.

(4) Such charges correctly based on tables of calculations issued by the Federal Housing Commissioner are deemed to comply with this section. An increase in the ratio of the charge to the average amount outstanding on the debt over the maximum provided in this section, which increase results from the first payment falling due less than 30 days after the date of the note, shall not be deemed to be in conflict with this section.

5. In § 201.7 paragraph (a) (1) is amended to read as follows:

§ 201.7 *Eligible improvements*—(a) *Ineligible items*. * * *

(1) *List of ineligible items*. No part of the proceeds of a loan shall be used to finance any of the following items:

Barbecue pits.
Bathhouses.
Burglar alarms.
Burglar protection bars.
Door opening and closing devices.
Dumbwaiters.
Fire alarms or fire detecting devices.
Fire extinguishers.
Flower boxes.
Greenhouses (except commercial greenhouses).
Hangars (airplane).
Kennels.
Outdoor fireplaces or hearths.
Penthouses.
Photo murals.
Radiator covers or enclosures.
Stands.
Steam cleaning of exterior surfaces.
Swimming pools.
Television antennae.
Tennis courts.
Tree surgery.
Valance or cornice boards.

6. In § 201.9 paragraph (b) (1) is amended to read as follows:

§ 201.9 *Refinancing*. * * *

(b) *Maximum maturity*. (1) A Class 1 (a) loan or a Class 2 (a) loan having a principal amount, exclusive of financing charges, of \$600 or less may be refinanced for an additional period not in excess of 3 years and 32 days from the date of the refinancing, but not to exceed 5 years from the date of the original note. A Class 1 (a) loan or a Class 2 (a) loan having a principal amount, exclusive of financing charges, of more than \$600 may be refinanced for an additional period not in excess of 5 years and 32 days from the date of the refinancing, but not to exceed 7 years from the date of the original note.

7. Section 201.10 is amended to read as follows:

§ 201.10 *Report of loans*. Loans shall be reported on the prescribed form to the Federal Housing Administration at Washington, D. C., within 15 days from the date of the note or date upon which it was purchased. Any loan refinanced as provided in § 201.9 shall likewise be reported on the prescribed form within

15 days from date of refinancing. Any loan transferred as provided in § 201.12 (e) shall be reported on the prescribed form within 31 days from the date of such transfer. In any case, the Commissioner may, in his discretion, accept a late report.

8. In § 201.12 paragraph (c) is amended to read as follows:

§ 201.12 *Insurance reserve*. * * *

(c) *Adjustment of general reserve*. After August 1, 1956, the amount of the general insurance reserve to the credit of each insured shall be adjusted on July 1 of each year by deducting therefrom an amount equivalent to 15 percent of the amount of such insurance reserve on the records of the Commissioner as of the date of such adjustment: *Provided*, That no such adjustment shall reduce the insurance reserve of any insured to an amount less than \$5,000: *Provided further*, That no such adjustment shall be made in the insurance reserve of any financial institution until the first day of July next following the expiration of a period of 30 months after the issuance of a contract of insurance to such institution by the Commissioner, and no such adjustment shall be made in the insurance reserve of any financial institution after the termination of the contract of insurance issued to such institution by the Commissioner, or after the termination of the Commissioner's authority to insure against losses pursuant to Title I of the National Housing Act.

9. In § 201.13 paragraphs (a), (b) and (d) (3) are amended to read as follows:

§ 201.13 *Insurance charge*—(a) *Rate*. The insured shall pay to the Commissioner an insurance charge equal to sixty-five one hundredths (0.65) of one percent per annum of the net proceeds of any eligible loan reported and acknowledged for insurance: *Provided*, That in the case of a Class 1 (b) loan in excess of \$3,500, exclusive of financing charges, and in the case of a Class 2 (b) loan having a maturity in excess of 7 years and 32 days, such insurance charge shall be forty-five one hundredths (0.45) of one percent per annum. In computing the insurance charge, no charge shall be made for the fractional period of a month of 14 days or less, and a charge for a full month shall be made for the fractional period of a month of more than 14 days.

(b) *When payable*. Such insurance charge for the entire term of the loan shall be paid within 5 days after the date the Commissioner acknowledges receipt to the insured institution of the report of loan; *Provided*, That on loans having a maturity in excess of five years and 32 days, such charge may be paid in installments, the first of which shall be equal to the charge for 3 years and be paid within said 5 days, and the second and succeeding installments, each equal to the charge for one year, shall be paid on the first and each succeeding anniversary of the first day of the month following the date of the note.

(d) *Refund or abatement*. * * *

(3) The charge paid on a loan or portion thereof found to be ineligible; but

no refund shall be made unless a claim is denied by the Commissioner or the ineligibility is reported by the insured promptly upon discovery and an application for refund made. In no event shall charges be refunded where the application for refund is not made until after the loan is paid in full.

(Sec. 2, 48 Stat. 1246, as amended; 12 U. S. C. 1703)

Subchapter C—Mutual Mortgage Insurance and Servicemen's Mortgage Insurance

PART 221—MUTUAL MORTGAGE INSURANCE: ELIGIBILITY REQUIREMENTS OF MORTGAGE COVERING ONE- TO FOUR-FAMILY DWELLINGS

1. In § 221.17 paragraphs (a) (4), (5) and (b) are amended, and paragraph (a) (6) and (7) are added to read as follows:

§ 221.17 *Maximum amount of mortgage and mortgagor's minimum investment*. (a) * * *

(4) 95 percent of the \$9,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, and 75 percent of such value in excess of \$9,000, if the dwelling was approved for insurance prior to the beginning of construction, or if construction was completed more than one year preceding the date of the application for insurance; or

(5) 90 percent of the \$9,000 of the appraised value of the property as of the date the mortgage is accepted for insurance, and 75 percent of such value in excess of \$9,000, if the dwelling was not approved for insurance prior to the beginning of construction and construction was completed within one year preceding the application for insurance.

(6) The percentages referred to in subparagraphs (4) and (5) of this paragraph shall be each reduced by 2 percent as long as this subparagraph shall remain in effect.

(7) An amount equal to 85 percent of any of the amounts computed under the provisions of this section if the mortgagor is not the occupant of the property.

(b) At the time the mortgage is insured the mortgagor shall have paid on account of the property at least five percent of the Commissioner's estimate of the cost of acquisition or such larger amount as the Commissioner may determine in cash or its equivalent: *Provided*, That with respect to a mortgage executed by a mortgagor who is 60 years of age or older as of the date the mortgage is accepted for insurance, the mortgagor may enter into a contract or agreement with a corporation or person satisfactory to the Commissioner, which contract may provide for the corporation or person to lend the mortgagor the payment required by this paragraph plus settlement costs including initial payments for taxes, hazard insurance, mortgage insurance premium and other prepaid expenses as determined by the Commissioner. Any such contract or agreement may require the mortgagor to give as security for the loan a note or other evidence of indebtedness which note or evidence of indebtedness may bear interest at a rate not in excess of

that permitted in the insured mortgage: *Provided further*, That the aggregate amount of the insured mortgage and the loan referred to in this paragraph shall not exceed an amount equal to 100 percent of the Commissioner's estimate of the appraised value of the property plus an amount equal to the settlement costs.

2. Section 221.18 is amended to read as follows:

§ 221.18 *Payments and maturity dates.* The mortgage should come due on the first of a month and must have a maturity satisfactory to the Commissioner not to be less than 10 nor more than 30 years from the date of the insurance; or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser. The amortization period should be either 10, 15, 20, 25, or 30 years by providing for either 120, 180, 240, 300, or 360 monthly amortization payments.

3. In § 221.22 paragraph (b) is amended to read as follows:

§ 221.22 *Mortgagor's payments to include other charges.* * * *

(b) Mortgages involving a principal obligation not in excess of \$6,650 may contain a provision requiring the mortgagor to pay to the mortgagee an annual service charge at such rate as may be agreed upon between the mortgagee and the mortgagor, but in no case shall such service charge exceed one-half of one percent per annum. Any such service charge shall be payable in monthly installments on the principal then outstanding.

4. In § 221.42 paragraph (f) is amended by changing the proviso at the end thereof to read as follows:

§ 221.42 *Eligibility of miscellaneous type mortgages.* * * *

(f) * * * *Provided*, That the principal obligation of any such mortgage shall not be in excess of \$12,000.

(Sec. 211, 52 Stat. 23; 12 U. S. C. 1715b)

Subchapter D—Multifamily and Group Housing Insurance

PART 232—MULTIFAMILY HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE COVERING MULTIFAMILY HOUSING

1. In § 232.1 paragraph (d) is amended to read as follows:

§ 232.1 *Information for preliminary examination.* * * *

(d) If an application is rejected before it is assigned for processing by the Commissioner, or in such other instances as the Commissioner may determine, the entire fee or any portion thereof may be returned to the applicant.

2. Section 232.4 is amended to read as follows:

§ 232.4 *Maximum mortgage amounts—(a) Mortgage amount—private-mortgagors.* A mortgage executed by a mortgagor of the character described in § 232.17 (a) may involve a principal obligation not in excess of the lesser of the following:

(1) \$12,500,000;
(2) 90 percent of the estimated value (replacement cost if project is located in Alaska or in Guam) of the project;

(3) \$2,250 per room (or \$8,100 per family unit if the number of rooms in such project does not equal or exceed four per family unit) for such part of such project as may be attributable to dwelling use;

(4) The amount which the Commissioner estimates will be the cost of the completed improvements of the project exclusive of public utilities and streets and organization and legal expenses.

(b) *Mortgage amount—public mortgagors.* A mortgage executed by a mortgagor of the character described in § 232.17 (b) may involve a principal obligation not in excess of the lesser of the following:

(1) \$50,000,000;
(2) 90 percent of the estimated value (replacement cost if project is located in Alaska or in Guam) of the project.

(3) \$2,250 per room (or \$8,100 per family unit if the number of rooms in such project does not equal or exceed four per family unit) for such part of such project as may be attributable to dwelling use;

(4) The amount which the Commissioner estimates will be the cost of the completed improvements of the project exclusive of public utilities and streets and organization and legal expenses.

(c) *Mortgage amount—elderly persons project.* A mortgage, executed by a mortgagor of the character described in § 232.17 (c), covering a project specially designed for the use and occupancy of elderly persons (as defined in § 232.20 (c)) may involve a principal obligation not in excess of the lesser of the following:

(1) \$12,500,000;
(2) 90 percent of the amount which the Commissioner estimates will be the replacement cost of such project when the proposed physical improvements are completed.

(3) \$8,100 per family unit for such part of such project as may be attributable to dwelling use.

(d) *Increased mortgage amount—elevator-type structures.* With respect to a mortgage meeting the requirements of paragraphs (a) and (b) of this section and covering a project consisting of elevator-type structures, the Commissioner may, in his discretion, increase the dollar amount limitation of \$2,250 per room to not to exceed \$2,700 per room and the dollar amount limitation of \$8,100 per family unit to not to exceed \$8,400 per family unit, as the case may be, to compensate for the higher costs incident to construction of elevator-type structures of sound standards of construction and design.

(e) *Increased mortgage amount—high cost areas.* The Commissioner may, in any geographical area where he finds cost levels so require, increase the maximum dollar amount limitations per room set out in paragraphs (a) or (b) of this section by not to exceed \$1,000 per room. As to projects located in the Territory of Alaska, Guam, or Hawaii, if the Commissioner finds that because of high

costs it is not feasible to construct dwellings without the sacrifice of sound standards of construction, design, and livability within the limitations of maximum mortgage amounts provided in this section, he may increase the maximum for the principal obligation of mortgages otherwise meeting the requirements of paragraphs (a), (b) and (c) of this section in such amounts as he shall find necessary to compensate for such high costs, but not to exceed, in any event, the maximum otherwise applicable by more than one-half thereof.

(f) *Adjusted mortgage amount—rehabilitation projects.* A mortgage having a principal amount computed in compliance with the applicable provisions of paragraphs (a) to (e) of this section, and which involves a project to be repaired or rehabilitated, shall be subject to the following additional limitations:

(1) *Property held in fee.* If the mortgagor is the fee simple owner of the project, the maximum mortgage amount shall not exceed 100 percent of the Commissioner's estimate of the cost of the proposed repairs or rehabilitation; or

(2) *Property subject to existing mortgage.* If the mortgagor owns the project subject to an outstanding indebtedness, which is to be refinanced with part of the insured mortgage, the maximum mortgage amount shall not exceed: (i) The Commissioner's estimate of the cost of the proposed repairs or rehabilitation; plus (ii) such portion of the outstanding indebtedness as does not exceed 90 percent of the Commissioner's estimate of the fair market value of such land and improvements prior to completion of the proposed repair or rehabilitation; or

(3) *Property to be acquired.* If the project is to be acquired by the mortgagor and the purchase price is to be financed with a part of the insured mortgage, the maximum mortgage amount shall not exceed: (i) The Commissioner's estimate of the cost of the proposed repairs or rehabilitation; plus (ii) the actual purchase price of the land and improvements but not in excess of the Commissioner's estimate of the fair market value of such land and improvements prior to completion of the proposed repairs and rehabilitation.

(g) *Reduced mortgage amount—leaseholds.* The maximum mortgage amount based upon the limitations of this section is subject to reduction by an amount equal to the capitalized value of the ground rent in the event the mortgage is on a leasehold estate rather than on a fee simple holding.

3. In § 232.17 paragraph (b) is amended, and a new paragraph (c) is added as follows:

§ 232.17 *Classification.* * * *

(b) *Public mortgagors.* A federal or state instrumentality, a municipal corporate instrumentality of one or more states, or a limited dividend or redevelopment or housing corporation formed under and restricted by federal or state laws or regulations of a state banking or insurance department as to rents, charges, capital structure, rate of return, or methods of operation; or

(c) *Non-profit organizations as mortgagors.* In the case of a mortgage of

the character described in § 232.4 (c) a financially qualified non-profit organization acceptable to the Commissioner.

4. Section 232.18 is amended by adding a new paragraph (d) as follows:

§ 232.18 *In general.* * * *

(d) A mortgagor of the character described in § 232.17 (c) which cannot meet the requirements of paragraph (c) of this section shall execute a regulatory agreement or other contractual document, acceptable to the Commissioner, providing for supervision and regulation of such mortgagor.

5. Section 232.20 is amended to read as follows:

§ 232.20 *Occupancy requirements—*

(a) *Family with children.* The mortgagor must certify under oath that in selecting tenants for the project covered by the mortgage, the mortgagor will not discriminate against any family by reason of the fact that there are children in the family; and that, the mortgagor will not sell the project while the mortgage insurance is in effect unless the purchaser also so certifies, such certifications to be filed with the Commissioner: *Provided*, That the provisions of this paragraph shall not be applicable to a mortgagor of the character described in § 232.17 (c).

(b) *Transient or hotel purposes.* The mortgagor must certify under oath that, so long as the mortgage is insured by the Commissioner, the mortgagor will not rent, permit the rental or permit the offering for rental, of the housing, or any part thereof, covered by such mortgage for transient or hotel purposes. For the purpose of this certificate, rental for transient or hotel purposes shall mean (1) rental for any period less than 30 days, or (2) any rental, if the occupants of the housing accommodations are provided customary hotel services such as room service for food and beverages, maid service, furnishing and laundering of linen, and bellboy service.

(c) *Elderly persons.* A mortgagor under a mortgage of the character described in § 232.4 (c) shall certify under oath that so long as the mortgage is insured by the Commissioner, preference or priority of opportunity to occupy will be given to elderly persons, and that the mortgagor will not sell the project while the mortgage insurance is in effect unless the purchaser also so certifies, such certifications to be filed with the Commissioner. For the purpose of this part the term elderly person shall mean a person who is 60 years of age or older as of the date such person intends to occupy the premises, or a family the head of which (or his spouse) is an elderly person as defined herein.

6. In § 232.26 paragraph (b) is amended to read as follows:

§ 232.26 *Certificate of actual cost.*

(b) When the work has been completed under a contract as described in § 232.25 (b), the mortgagor's certification shall be on the form prescribed therefor by the Commissioner and shall indicate all amounts as required in para-

graph (a) of this section, and such allocations of general overhead items as are acceptable to the Commissioner, plus a reasonable allowance for the builder's profit as established by the Commissioner. This form of certification shall be accompanied by a certification by the builder on the form prescribed therefor by the Commissioner, indicating all actual costs paid for labor, materials, and subcontract work under the general contract exclusive of the builder's fee and less any kickbacks, rebates, trade discounts, or other similar payments to the builder or mortgagor corporation or any of its officers, directors, or stockholders. The mortgagor shall keep and make available records as required in paragraph (a) of this section and shall in turn require the builder to keep available similar records.

7. Section 232.28 is amended to read as follows:

§ 232.28 *Rehabilitation projects.* In the event the mortgage is to finance repair or rehabilitation, the mortgagor's actual cost of such repair or rehabilitation may include the items of expense permitted for new construction in accordance with either paragraph (a) or paragraph (b) of § 232.26 and the applicable cost certification procedure described therein will be required; provided such mortgage shall be subject to the following limitations:

(a) *Property held in fee.* If no part of the proceeds is to be used to finance the purchase of the land or structures involved, the mortgage shall be reduced to an amount not to exceed 100 percent of the approved cost of the completed repair or rehabilitation.

(b) *Property subject to existing mortgage.* If the insured mortgage is to include the cost of refinancing an existing mortgage acceptable to the Commissioner, the amount of the existing mortgage or 90 percent of the Commissioner's estimate of the fair market value of the repair or rehabilitation, of land and existing improvements prior to repair or rehabilitation, whichever is the lesser, shall be added to the actual cost of the repair or rehabilitation. If the principal obligation of the insured mortgage exceeds the total amount thus obtained, the mortgage shall be reduced by the amount of such excess, prior to final endorsement for insurance.

(c) *Property to be acquired.* If the mortgage is to include the cost of land and improvements, and the purchase price thereof is to be financed with part of the mortgage proceeds, the purchase price, or the Commissioner's estimate of the fair market value of land and existing improvements prior to repair or rehabilitation, whichever is the lesser, shall be added to the actual cost of the repair or rehabilitation. If the principal obligation of the insured mortgage exceeds the applicable statutory percentage of the total amount thus obtained, the mortgage shall be reduced by the amount of such excess, prior to final endorsement for insurance.

8. Section 232.29 is amended to read as follows:

§ 232.29 *Requisites of agreement and certification.* (a) Any agreement, undertaking, statement or certification required by § 232.26 shall specifically state that it has been made, presented, and delivered for the purpose of influencing an official action of the Federal Housing Administration, and of the Federal Housing Commissioner, and may be relied upon by the Commissioner as a true statement of the facts contained therein.

(b) Upon the Commissioner's approval of the mortgagor's certification as required by § 232.26 such certification shall be final and incontestable except for fraud or material misrepresentation on the part of the mortgagor.

(Sec. 211, 52 Stat. 23; 12 U. S. C. 1715b. Interpret or apply sec. 207, 52 Stat. 16, as amended; 12 U. S. C. 1713)

PART 241—COOPERATIVE HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS FOR PROJECT MORTGAGE

1. In § 241.1 paragraph (c) is amended, and new paragraphs (f), (g) and (h) are added, to read as follows:

§ 241.1 *Definitions of terms as used in this part.* * * *

(c) The term "veteran" means a person who has served in the active military or naval service of the United States at any time on or after April 6, 1917 and prior to November 12, 1918, or on or after September 16, 1940 and prior to July 26, 1947, or on or after June 27, 1950, and prior to February 1, 1955.

(f) The term "veteran project" means a project, the mortgagor of which is a corporation or trust and at least 50 percent of the membership of the corporation or number of beneficiaries of the trust consists of veterans.

(g) The term "investor sponsored project" means a project, the mortgagor of which is a private corporation, association or trust entity which has certified in accordance with section 213 (a) (3) of the Act that it intends to sell such project to a nonprofit cooperative ownership housing corporation or trust qualifying as the mortgagor of a management type project.

(h) The term "approved percentage" means 85 percent in the case of an investor sponsored project; 90 percent in the case of a non-veteran project; and 95 percent in the case of a veteran project.

2. In § 241.3 paragraph (b) is amended by adding a new subparagraph (3) and paragraph (d) is amended as follows:

§ 241.3 *Application and commitment fees.*

(b) * * *

(3) In the case of an investor sponsored project, the application and commitment fees to be paid under this section shall be based upon the commitment amount applicable to the owner of a management type project.

(d) If an application is rejected before it is assigned for processing by the Commissioner or in such other instances as the Commissioner may determine, the

entire fee or any portion thereof may be returned to the applicant.

3. Section 241.7 is amended to read as follows:

§ 241.7 *Maximum mortgage amounts—*
(a) *Management type non-veteran projects.* A mortgage executed by the mortgagor of a management type non-veteran project may involve a principal obligation not in excess of the lesser of the following:

(1) \$12,500,000 (\$25,000,000 if the mortgage is executed by a mortgagor of the character described in § 241.20 (b));

(2) 90 percent of the amount which the Commissioner estimates will be the replacement cost of the project;

(3) \$2,250 per room (or \$8,100 per family unit if the number of rooms in such project averages less than four per family unit) for such part of such project as may be attributable to dwelling use, or with respect to a mortgage covering a project consisting of elevator-type structures, \$2,700 per room or \$8,400 per family unit.

(b) *Management type veteran projects.* A mortgage executed by the mortgagor of a management type veteran project may involve a principal obligation not in excess of the lesser of the following:

(1) \$12,500,000 (\$25,000,000 if the mortgage is executed by a mortgagor of the character described in § 241.20 (b));

(2) 95 percent of the amount which the Commissioner estimates will be the replacement cost of the project;

(3) \$2,375 per room (or \$8,550 per family unit if the number of rooms in such project averages less than four per family unit) for such part of such project as may be attributable to dwelling use, or with respect to a mortgage covering a project consisting of elevator-type structures, \$2,850 per room or \$9,900 per family unit.

(c) *Investor sponsored projects.* A mortgage executed by the mortgagor of an investor sponsored project may involve a principal obligation not in excess of the lesser of the following:

(1) \$12,500,000 (\$25,000,000 if the mortgage is executed by a mortgagor of the character described in § 241.20 (b));

(2) 85 percent of the amount which the Commissioner estimates will be the replacement cost of the project;

(3) \$2,250 per room (or \$8,100 per family unit if the number of rooms in such project averages less than four per family unit) for such part of such project as may be attributable to dwelling use, or with respect to a mortgage covering a project consisting of elevator-type structures, \$2,700 per room or \$8,400 per family unit.

(d) *Sales type non-veteran projects.* A mortgage executed by the mortgagor of a sales type non-veteran project may involve a principal obligation not in excess of the lesser of the following:

(1) \$12,500,000;

(2) The greater of the following amounts:

(i) A sum computed on the basis of a separate mortgage for each single-family dwelling comprising the project, equal to the total of each of the maximum principal obligations of such mort-

gage which would meet the requirements of section 203 (b) (2) of the act if the mortgagor were the owner and occupant who had made any required payment on account of the property described in such section of the act; or

(ii) A sum equal to the maximum amount which does not exceed \$2,250 per room (or \$8,100 per family unit if the number of rooms in such project averages less than four per family unit) for such part of such project as may be attributable to dwelling use but not in excess of 90 percent of the amount which the Commissioner estimates will be the replacement cost of the project.

(e) *Sales type veteran projects.* A mortgage executed by the mortgagor of a sales type veteran project may involve a principal obligation not in excess of the lesser of the following:

(1) \$12,500,000;

(2) The greater of the following amounts:

(i) A sum computed on the basis of a separate mortgage for each single-family dwelling comprising the project, equal to the total of each of the maximum principal obligations of such mortgages which would meet the requirements of section 203 (b) (2) of the act if the mortgagor were the owner and occupant who had made any required payment on account of the property described in such section of the act; or

(ii) A sum equal to the maximum amount which does not exceed \$2,375 per room (or \$8,550 per family unit if the number of rooms in such project averages less than four per family unit) for such part of such project as may be attributable to dwelling use but not in excess of 95 percent of the amount which the Commissioner estimates will be the replacement cost of the project.

(f) *Increased mortgage amount—high cost areas.* The Commissioner may, in any geographical area where he finds cost levels so require, increase the maximum dollar amount limitations per room set out in the preceding paragraphs of this section by not to exceed \$1,000 per room. As to projects located in the Territory of Alaska, Guam, or Hawaii, if the Commissioner finds that because of high costs it is not feasible to construct dwellings without the sacrifice of sound standards of construction, design, and livability within the limitations of maximum mortgage amounts provided in this section, he may increase the maximum for the principal obligation of mortgages otherwise meeting the requirements of this paragraph in such amounts as he shall find necessary to compensate for such high costs, but not to exceed, in any event, the maximum otherwise applicable by more than one-half thereof.

(g) *Adjusted mortgage amount—rehabilitation projects.* A mortgage having a principal amount computed in compliance with the applicable provisions of the paragraphs (a) to (f) of this section, and which involves a project to be repaired or rehabilitated, shall be subject to the following additional limitations:

(1) *Property held in fee.* If the mortgagor is the fee simple owner of the project, the maximum mortgage amount shall not exceed 100 percent of the

Commissioner's estimate of the cost of the proposed repairs or rehabilitation; or

(2) *Property subject to existing mortgage.* If the mortgagor owns the project subject to an outstanding indebtedness, which is to be refinanced with part of the insured mortgage, the maximum mortgage amount shall not exceed: (i) The Commissioner's estimate of the cost of the proposed repairs or rehabilitation; plus (ii) such portion of the outstanding indebtedness which does not exceed the approved percentage of the Commissioner's estimate of the fair market value of such land and improvements prior to completion of the proposed repair or rehabilitation; or

(3) *Property to be acquired.* If the project is to be acquired by the mortgagor and the purchase price is to be financed with a part of the insured mortgage, the maximum mortgage amount shall not exceed: (i) The Commissioner's estimate of the cost of the proposed repairs or rehabilitation; plus (ii) the actual purchase price of the land and improvements but not in excess of the Commissioner's estimate of the fair market value of such land and improvements prior to completion of the proposed repairs and rehabilitation.

(h) *Reduced mortgage amount—leaseholds.* The maximum mortgage amount based upon the limitations of this section is subject to reduction by an amount equal to the capitalized value of the ground rent in the event the mortgage is on a leasehold estate rather than on a fee simple holding.

(i) *Mortgagor's minimum investment—sales type projects.* At the time a mortgage executed by a mortgagor of a sales type project is insured, the mortgagor shall have paid on account of the project at least 5 percent of the Commissioner's estimate of the cost of acquisition or such larger amount as the Commissioner may determine in cash or its equivalent and each member or stockholder of the mortgagor shall have paid the amount required by § 243.9 (b) of Part 243 of this subchapter. The amount required for working capital specified in § 241.26 may be included in the 5 percent payment required by this paragraph.

4. Section 241.10 is amended to read as follows:

§ 241.10 *Interest rate.* The mortgage shall bear interest, not exceeding 4¼ percent per annum, on the amount of the principal obligation outstanding at any time, as may be agreed upon between the mortgagor and the mortgagee.

5. In § 241.20 paragraph (a) is amended to read as follows:

§ 241.20 *Eligibility of mortgagors.* (a) In order to be eligible as a mortgagor under this part, an applicant must be the owner of:

(1) A management type project or a sales type project formed or created with the approval of the Commissioner and regulated or restricted by the Commissioner as to rents or sales, charges, capital structure, rate of return and methods of operation; or

(2) An investor sponsored project formed or created with the approval of the Commissioner with the intention of providing housing for sale to the mortgagor of a management type project, and regulated by the Commissioner as to rents, charges, capital structure, rate of return, and methods of operation.

6. Section 241.31 is amended to read as follows:

§ 241.31 *Mortgagors subject to regulation and restriction*—(a) *In general.* Except as otherwise provided in this section, all mortgagors shall be subject to regulation and restriction by the Commissioner with respect to the matters set forth in this part. A mortgagor of the character described in § 241.20 (b) shall not be subject to regulation and restriction by the Commissioner with respect to matters set forth in §§ 241.24, 241.25, 241.29 and 241.30.

(b) *Additional regulations and restrictions applicable to mortgagors of investor sponsored projects.* In addition to the provisions of this part, the mortgagor of an investor sponsored project shall be subject to the provisions of § 232.19 (b) covering rate of return, § 232.19 (e) covering rents and charges, and § 232.25 covering form of contract of Part 232 of this subchapter. Such mortgagor shall not be subject to the provisions of §§ 241.30 (d) and 241.34.

7. Section 241.33 is amended to read as follows:

§ 241.33 *Certification of cost requirements.* Prior to initial endorsement for insurance of a mortgage executed by the mortgagor of a management type project or the mortgagor of an investor sponsored project, the mortgagor, the mortgagee, and the Commissioner shall enter into an agreement in form and content satisfactory to the Commissioner for the purpose of precluding any excess of mortgage proceeds over statutory limitations. Under this agreement the mortgagor shall disclose its relationship with the builder, including any collateral agreement, and agree to enter into a construction contract the terms of which shall depend on whether or not there exists an identity of interest between the mortgagor and the builder. The agreement shall require that upon completion of all physical improvements on the mortgaged property the mortgagor must execute a certificate of actual costs. The agreement shall further require that any excess of mortgage proceeds over statutory limitations based on actual cost shall be applied to reduction of the outstanding balance of the principal of the mortgage.

8. In § 241.34 paragraphs (a) and (b) are amended to read as follows:

§ 241.34 *Form of contract.* * * *
(a) *Non-identity of interest.* If it is found by the Commissioner that: (1) no identity of interest exists between the mortgagor or any of its officers, directors or stockholders and the general contractor, and (2) a cost plus form of contract is not required in the interests of the Commissioner; there may be used a lump sum form of contract.

(b) *Identity of interest.* If the Commissioner does not make the findings described in paragraph (a) of this section, the form of contract shall provide for payment of the actual cost of construction, not to exceed an upset price and may provide for payment of a specified builder's fee in addition thereto. The builder's fee shall not exceed a reasonable allowance therefor as established by the Commissioner, in accordance with customary practices in the area.

9. Section 241.35 is amended to read as follows:

§ 241.35 *Certificate of actual cost.* The mortgagor's certificate of actual cost shall be submitted upon completion of physical improvements to the satisfaction of the Commissioner and prior to final endorsement. Its content and requirements regarding verification are as follows:

(a) When the work has been completed under a lump sum contract the mortgagor's certification shall be on the form prescribed therefor by the Commissioner and shall indicate the amount actually paid under the construction contract after deduction of any kickbacks, rebates, trade discounts, or other similar payments to the mortgagor corporation, or to any of its officers, directors or stockholders; plus the cost to the mortgagor of architects' fees, off-site public utilities and streets not included in the general contract, organizational and legal work, and other items of expense approved by the Commissioner. For verification of these amounts the mortgagor shall keep and maintain adequate records of all costs of any construction or other cost items not representing work under the general contract and shall make available for examination such records, including any collateral agreements, upon request by the Commissioner.

(b) When the work has been completed under a cost plus contract the mortgagor's certification shall be on the form prescribed therefor by the Commissioner and shall indicate all amounts as required in paragraph (a) of this section, and such allocations of general overhead items as are acceptable to the Commissioner, plus a reasonable allowance for the builder's profit as established by the Commissioner. This form of certification shall be accompanied by a certification by the builder on the form prescribed therefor by the Commissioner, indicating all actual costs paid for labor, materials, and subcontract work under the general contract exclusive of the builder's fee and less any kickbacks, rebates, trade discounts, or other similar payments to the builder or mortgagor corporation or any of its officers, directors, or stockholders. The mortgagor shall keep and make available records as required in paragraph (a) of this section and shall in turn require the builder to keep available similar records.

(c) The certificates of actual cost shall be supported by a certificate as to accuracy by an independent Certified Public Accountant or independent public accountant, which shall include a

statement that the accounts, records and supporting documents have been examined in accordance with generally accepted auditing standards to the extent deemed necessary to verify the actual costs.

10. Section 241.36 is amended to read as follows:

§ 241.36 *Adjustment resulting from cost certification.* Upon receipt of the mortgagor's certification of actual cost there shall be added to the total amount thereof the Commissioner's estimate of the fair market value of any land included in the mortgage security and owned by the mortgagor in fee, such value being prior to the construction of the improvements. In the event the land is held under a leasehold or other interest less than a fee, the cost, if any, of acquiring the leasehold or other interest is considered an allowable expense which may be added to actual cost, provided that in no event such amount is in excess of the fair market value of such leasehold or other interest exclusive of proposed improvements. If the principal obligation of the mortgage exceeds the approved percentage of this total amount, the mortgage shall be reduced by the amount of such excess prior to final endorsement for insurance.

11. Section 241.37 is amended to read as follows:

§ 241.37 *Rehabilitation projects.* In the event the mortgage is to finance repair or rehabilitation the mortgagor's actual cost of such repair or rehabilitation may include the items of expense permitted for new construction in accordance with either paragraph (a) or paragraph (b) of § 241.35 and the applicable cost certification procedure described therein will be required; provided such mortgage shall be subject to the following limitations:

(a) *Property held in fee.* If no part of the proceeds will be used to finance the purchase of the land or structures involved the mortgage shall be reduced to an amount not to exceed 100 percent of the approved cost of the completed repairs or rehabilitation.

(b) *Property subject to existing mortgage.* If the insured mortgage is to include the cost of refinancing an existing mortgage acceptable to the Commissioner, the amount of the existing mortgage or the approved percentage of the Commissioner's estimate of the fair market value, of land and existing improvements prior to repair or rehabilitation, whichever is the lesser, shall be added to the actual cost of the repair or rehabilitation. If the principal obligation of the insured mortgage exceeds the approved percentage of this amount, the mortgage shall be reduced by the amount of such excess, prior to final endorsement for insurance.

(c) *Property to be acquired.* If the mortgage is to include the cost of land and improvements, and the purchase price thereof is to be financed with part of the mortgage proceeds, the purchase price, or the Commissioner's estimate of the fair market value, of land and existing improvements prior to repair or re-

habilitation, whichever is the lesser, shall be added to the actual cost of the repair or rehabilitation. If the principal obligation of the insured mortgage exceeds the approved percentage of this amount, the mortgage shall be reduced by the amount of such excess, prior to final endorsement for insurance.

12. Section 241.38 is amended to read as follows:

§ 241.38 *Requisites of agreement and certification.* (a) Any agreement, undertaking, statement or certification required by § 241.35 shall specifically state that it has been made, presented, and delivered for the purpose of influencing an official action of the Federal Housing Administration, and of the Federal Housing Commissioner, and may be relied upon by the Commissioner as a true statement of the facts contained therein.

(b) Upon the Commissioner's approval of the mortgagor's certification as required by § 241.35 such certification shall be final and incontestable except for fraud or material misrepresentation on the part of the mortgagor.

13. The centered heading immediately preceding § 241.45 is amended to read as follows: "Other Eligible Mortgages."

(Sec. 211, 52 Stat. 23; 12 U. S. C. 1715b. Interpret or apply sec. 213, 54 Stat. 54, as amended; 12 U. S. C. 1715e)

Subchapter F—Rehabilitation and Neighborhood Conservation Housing Insurance

PART 266—HOME RELOCATION INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE COVERING SINGLE FAMILY DWELLINGS

1. Section 266.5 is amended to read as follows:

§ 266.5 *Maximum mortgage amount; dollar limitation.* The dollar limitation on the amount of the mortgage to be insured is an amount not in excess of \$9,000, except that the Commissioner may increase this amount by not to exceed \$1,000 in any geographical area where he finds that cost levels so require. The dollar limitation is in addition to the loan-to-value limitation provided in § 266.6.

2. In § 266.6 paragraph (a) is amended to read as follows:

§ 266.6 *Maximum mortgage amount; loan-to-value limitation.* * * * (a) the Commissioner's estimate of the appraised value of the property, as of the date the mortgage is accepted for insurance; or

3. Section 266.6a is amended to read as follows:

§ 266.6a *Payments and maturity dates.* The mortgage should come due on the first of a month and must have a maturity satisfactory to the Commissioner not to be less than 10 nor more than 40 years from the date of the insurance; or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser. The amortization period should be either 10, 15, 20, 25, 30, 35, or 40 years by providing

for either 120, 180, 240, 300, 360, 420, or 480 monthly amortization payments.

4. Section 266.8 is amended to read as follows:

§ 266.8 *Mortgagor's minimum investment.* At the time the mortgage is insured, the mortgagor shall have paid on account of the property at least \$200 in cash or its equivalent, which may include amounts to cover settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premium and other prepaid expenses as determined by the Commissioner.

PART 268—MULTIFAMILY RELOCATION INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE

1. In § 268.1 paragraph (a) is amended by adding to, and changing, the headings of the listed provisions as follows:

§ 268.1 *Incorporation by reference.*

(a) * * *

§ 232.4 Maximum mortgage amounts.

§ 232.17 Classification.

§ 232.20 Occupancy requirements.

§ 232.31a Eligibility of mortgages on trailer courts or parks for trailer coach mobile dwellings.

2. Section 268.4 is amended to read as follows:

§ 268.4 *Eligible mortgagors—private nonprofit entities.* The mortgagor shall be a private nonprofit corporation or association or other acceptable private nonprofit organization, regulated or supervised under Federal or State laws or by political subdivisions of States or agencies thereof, or the Federal Housing Commissioner, as to rents, charges, and methods of operation. The regulation or supervision of the mortgagor must be in such form and in such manner as, in the opinion of the Commissioner, will effectuate the purposes of this part.

3. Section 268.6 is amended to read as follows:

§ 268.6 *Maximum mortgage amounts—(a) Limitation.* A mortgage may involve a principal obligation not in excess of the lesser of the following:

- (1) \$12,500,000;
- (2) The Commissioner's estimate of the value of the project;
- (3) \$9,000 per family unit for such part of such project as may be attributable to dwelling use.

(b) *Adjusted mortgage amount—rehabilitation projects.* A mortgage having a principal amount computed in compliance with this section, and which involves a project to be repaired or rehabilitated, shall be subject to the following additional limitations:

- (1) *Property held in fee.* If the mortgagor is the fee simple owner of the project, the maximum mortgage amount shall not exceed 100 percent of the Commissioner's estimate of the cost of the proposed repairs or rehabilitation; or

(2) *Property subject to existing mortgage.* If the mortgagor owns the project subject to an outstanding indebtedness, which is to be refinanced with part of the insured mortgage, the maximum mortgage amount shall not exceed: (i) The Commissioner's estimate of the cost of the proposed repairs or rehabilitation; and (ii) such portion of the outstanding indebtedness which does not exceed 90 percent of the Commissioner's estimate of the fair market value of such land and improvements prior to completion of the proposed repair or rehabilitation; or

(3) *Property to be acquired.* If the project is to be acquired by the mortgagor and the purchase price is to be financed with a part of the insured mortgage, the maximum mortgage amount shall not exceed: (i) The Commissioner's estimate of the cost of the proposed repairs or rehabilitation; and (ii) the actual purchase price of the land and improvements but not in excess of the Commissioner's estimate of the fair market value of such land and improvements prior to completion of the proposed repairs and rehabilitation.

4. Section 268.9 is amended to read as follows:

§ 268.9 *Increased mortgage amount—high cost areas.* The Commissioner may, in any geographical area where he finds cost levels so require, increase the maximum dollar amount limitations per family unit, as set forth in § 268.6 to an amount not in excess of \$10,000 per family unit. As to projects located in the Territory of Alaska, Guam, or Hawaii, if the Commissioner finds that because of high costs it is not feasible to construct dwellings without the sacrifice of sound standards of construction, design, and livability within the limitations of maximum mortgage amounts provided in this section, he may increase the maximum for the principal obligation of mortgages otherwise meeting the requirements of this section in such amounts as he shall find necessary to compensate for such high costs, but not to exceed, in any event, the maximum otherwise applicable by more than one-half thereof.

5. Part 268 is amended by adding a new § 268.9a as follows:

§ 268.9a *Occupancy requirements—(a) Family with children.* The mortgagor must certify under oath that in selecting tenants for the property covered by the mortgage, the mortgagor will not discriminate against any family by reason of the fact that there are children in the family, and that the mortgagor will not sell the property while the mortgage insurance is in effect unless the purchaser also so certifies, such certifications to be filed with the Commissioner.

(b) *Transient or hotel purposes.* The mortgagor must certify under oath that so long as the mortgage is insured by the Commissioner, the mortgagor will not rent, permit the rental, or permit the offering for rental, of the housing, or any part thereof, covered by such mortgage for transient or hotel purposes.

For the purpose of this certificate, rental for transient or hotel purposes shall mean (1) rental for any period less than 30 days, or (2) any rental, if the occupants of the housing accommodations are provided customary hotel services such as room service for food and beverages, maid service, furnishing and laundering of linen, and bellboy service. (Sec. 211, 52 Stat. 23; 12 U. S. C. 1715b. Interpret or apply sec. 221, 68 Stat. 599, as amended; 12 U. S. C. 1715f)

Subchapter M—Military and Armed Services Housing Mortgage Insurance

PART 292a—ARMED SERVICES HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE

1. Section 292a.2 is amended to read as follows:

§ 292a.2 *Certification by Secretary to Commissioner.* Applications for mortgage insurance will not be accepted unless there has been executed an instrument by the Secretary of Defense or his designee certifying to the Commissioner that the Secretary or his designee has met the requirements of section 803 (b) (2) of the National Housing Act, as amended.

2. In § 292a.7 paragraph (a) is amended to read as follows:

§ 292a.7 *Maximum mortgage amount; replacement cost.* (a) The mortgage shall involve a principal obligation not to exceed the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed including the replacement cost of ranges, refrigerators, shades, screens and fixtures. Such cost may include the cost of the land, the physical improvements, and utilities within the boundaries of the property or project.

3. In § 292a.8 paragraph (a) is amended to read as follows:

§ 292a.8 *Maximum mortgage amount; dollar limitation.* (a) The mortgage shall involve a principal obligation in an amount not to exceed an average of \$16,500 per family unit for such part of the project as may be attributable to dwelling use including ranges, refrigerators, shades, screens and fixtures, less the amount of the Commissioner's estimated value of any usable utilities within the boundaries of the project where owned by the United States and not provided for out of the proceeds of the mortgage.

4. In § 292a.9 paragraph (a) is amended to read as follows:

§ 292a.9 *Maximum mortgage amount; successful bid.* (a) The mortgage shall involve a principal obligation not to exceed the amount of the successful bid of the eligible bidder of the project. The term "eligible bidder" means a person, partnership, firm, or corporation determined by the Secretary of Defense, after consultation with the Commissioner (1) to be qualified by experience and financial responsibility to construct housing of the type described and provided for under Title VIII of the National

Housing Act, and (2) to have submitted the lowest acceptable bid.

5. Section 292a.27 is amended to read as follows:

§ 292a.27 *Completion assurance.* Assurance for the completion of a project shall be a performance bond and a payment bond satisfactory to the Commissioner and the Secretary of Defense or his designee with the mortgagor and mortgagee as joint obligees.

6. In § 292a.39 the introductory text is amended to read as follows:

§ 292a.39 *Title evidence.* Upon insurance of the mortgage, the mortgagee, without expense to the Commissioner, shall furnish to the Commissioner, a survey satisfactory to him and such evidence of title as provided in this section, as the Commissioner may require.

PART 293a—ARMED SERVICES HOUSING INSURANCE; RIGHTS AND OBLIGATIONS OF THE MORTGAGEE UNDER THE INSURANCE CONTRACT

In § 293a.1 paragraph (g) is amended to read as follows:

§ 293a.1 *Definitions.* * * * (g) The term "State" includes the several States and Alaska, Hawaii, Puerto Rico, the District of Columbia, Guam, the Virgin Islands, the Canal Zone, and Midway Island.

(Sec. 807, 69 Stat. 651; 12 U. S. C. 1748f)

Issued at Washington, D. C., August 8, 1956.

[SEAL] NORMAN P. MASON,
Federal Housing Commissioner.

[P. R. Doc. 56-6498; Filed, Aug. 10, 1956; 8:51 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[T. D. 6195]

[Regs. 111, 118]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

PART 39—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1951

CREDITS OF CORPORATIONS; CREDIT FOR DIVIDENDS PAID ON PREFERRED STOCK OF PUBLIC UTILITIES

In order to conform Regulations 118 (26 CFR (1939) Part 39) and Regulations 111 (26 CFR (1939) Part 29), relating to income taxes, to the decision in Philadelphia Electric Company v. The United States, 117 F. Supp. 424 (Ct. Cl. 1954), such regulations are hereby amended as follows:

PARAGRAPH 1. Section 39.26 (h)-1 (c) (1) is amended by striking from the first sentence the words "earnings or profits either currently or in liquidation", and inserting in lieu thereof the words "current distributions".

PAR. 2. Section 29.26-5 (a) as amended by Treasury Decision 5384, approved

June 30, 1944, is further amended by striking from the first sentence of the second paragraph the words "earnings or profits either currently or in liquidation", and inserting in lieu thereof the words "current distributions".

Because this Treasury decision is liberalizing in character, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

(53 Stat. 32, 467; 26 U. S. C. 62, 3791)

[SEAL] RUSSELL C. HARRINGTON,
Commissioner of Internal Revenue.

Approved: August 8, 1956.

DAN THROOP SMITH,
Special Assistant to the Secretary in Charge of Tax Policy.

[P. R. Doc. 56-6492; Filed, Aug. 10, 1956; 8:49 a. m.]

[T. D. 6197]

Subchapter C—Miscellaneous Excise Taxes
[Regs. 44]

PART 314—TAXES ON GASOLINE, LUBRICATING OIL, AND MATCHES

DEFINITION OF TERM "MANUFACTURER"

On September 14, 1955, notice of proposed rule making regarding amendments to Regulations 44 (1944 edition) (26 CFR (1939) Part 314), relating to the taxes on gasoline, lubricating oil, and matches, such regulations as prescribed and made applicable to the Internal Revenue Code of 1954 by Treasury Decision 6091, signed August 16, 1954, and Regulations 44 (1932, 1934, and 1939 editions), was published in the FEDERAL REGISTER (20 F. R. 6750). The amendments would exclude from the term "manufacturer", as used in the regulations in connection with the sale or use of lubricating oil, (1) a person who merely cleans, renovates, or refines used or waste lubricating oil, or (2) a person who merely blends or mixes one or more taxable lubricating oils with used or waste lubricating oil which has been cleaned, renovated, or refined. After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendments to Regulations 44 as so published are hereby adopted for the periods therein stated.

(53 Stat. 419, 467, sec. 7805, 68A Stat. 917; 26 U. S. C. 3450, 3791, 7805)

[SEAL] O. GORDON DELK,
Acting Commissioner of Internal Revenue.

Approved: August 8, 1956.

DAN THROOP SMITH,
Special Assistant to the Secretary in Charge of Tax Policy.

[P. R. Doc. 56-6493; Filed, Aug. 10, 1956; 8:49 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter XIV—The Renegotiation Board

Subchapter B—Renegotiation Board Regulations Under the 1951 Act

PART 1456—METHODS OF SEGREGATING RENEGOTIABLE AND NON-RENEGOTIABLE SALES

HOW TO DETERMINE RECEIPTS OR ACCRUALS SUBJECT TO RENEGOTIATION: MATERIALS OTHER THAN NEW DURABLE PRODUCTIVE EQUIPMENT NOT INCORPORATED IN END PRODUCT

Section 1456.5 *How to determine receipts or accruals subject to renegotiation: materials other than new durable productive equipment not incorporated in end product* is amended by adding at the end thereof the following: "The extent to which equipment covered by this section is used or to be used in renegotiable production shall be determined according to the percentage of time that such equipment is used or to be used in renegotiable as compared to non-renegotiable production during the first twelve months following the delivery of the equipment to the purchaser. For the purposes of this computation, periods during which the equipment is idle shall not be taken into consideration. When the seller does not know or it is not practicable for the seller to ascertain the extent of renegotiable use at the time the seller is required to file its financial statement for the fiscal year in which it has received or accrued payment for the equipment, the seller shall make such determination on the basis of estimates, supported so far as practicable by information available to the seller at the time of the delivery of the equipment or at any time thereafter."

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. 1219)

Dated: August 7, 1956.

THOMAS COGGESHALL,
Chairman.

[F. R. Doc. 56-6483; Filed, Aug. 10, 1956; 8:47 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter VI—Business and Defense Services Administration, Department of Commerce

[DMS Regulation No. 1, Direction 9 of August 10, 1956]

DMS REG. 1—BASIC RULES OF THE DEFENSE MATERIALS SYSTEM

DIR. 9—SPECIAL RULES REGARDING SHIPMENTS BY STEEL PRODUCERS AGAINST AUTHORIZED CONTROLLED MATERIAL ORDERS

This direction under DMS Regulation No. 1 is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this direction, consultation with industry representatives has been rendered impracticable due to the need for immediate action and because

the direction affects many different industries.

Sec.

1. What this direction does.
2. Shipments by steel producers against certain authorized controlled material orders.
3. Applicability of other regulations and orders.

AUTHORITY: Sections 1 to 3 issued under sec. 704, 64 Stat. 816, as amended, sec. 1, P. L. 632, 84th Cong., 70 Stat. 408; 50 U. S. C. App. 2154. Interpret or apply sec. 101, 64 Stat. 799, as amended, sec. 705, 64 Stat. 816, as amended, sec. 1, P. L. 632, 84th Cong., 70 Stat. 408; 50 U. S. C. App. 2071, 2155; E. O. 10480, 18 F. R. 4939; 3 CFR, 1953 Supp.; DMO I-7, 18 F. R. 5366, 6736; 32A CFR Ch. I; Commerce Dept. Order No. 152, 18 F. R. 6503, 6791, 20 F. R. 6263.

SECTION 1. What this direction does. The purpose of this direction is to insure, so far as practicable, that all authorized controlled material orders for August or earlier delivery placed with steel mills whose production was suspended, are shipped not later than September 30, 1956.

Sec. 2. Shipments by steel producers against certain authorized controlled material orders. (a) The provisions of this section apply only to those producers of steel controlled materials whose production was suspended during the work stoppage which began during July 1956.

(b) A steel controlled material's producer who, prior to the effective date of this direction, has accepted an authorized controlled material order for steel calling for delivery on or before August 31, 1956, shall make shipment against such order as close to the requested delivery date as is practicable. In complying with this provision he may schedule his production and shipments to fill such authorized controlled material orders in any sequence he desires: *Provided, however,* That shipment against all such authorized controlled material orders shall be made not later than September 30, 1956. To the extent that he is unable to make shipment by September 30, 1956, against any such authorized controlled material orders, he shall promptly notify BDSA, Iron and Steel Division, by letter or telegram, listing such orders.

Sec. 3. Applicability of other regulations and orders. The provisions of the DMS regulations, BDSA Order M-1A, and of any other BDSA regulations and orders as heretofore issued, including the directions and amendments thereto, are superseded to the extent to which they are inconsistent with the provisions of this direction. In all other respects the provisions of such regulations, orders, directions, and amendments shall remain in full force and effect.

This direction shall take effect August 10, 1956.

BUSINESS AND DEFENSE
SERVICES ADMINISTRATION,
CHAS. F. HONEYWELL,
Administrator.

[F. R. Doc. 56-6536; Filed, Aug. 10, 1956; 8:45 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter I—Coast Guard, Department of the Treasury

Subchapter A—General

[CGFR 56-23]

PART 8—REGULATIONS, UNITED STATES COAST GUARD RESERVE

PHYSICAL EXAMINATIONS AND STANDARDS

By virtue of the authority contained in the act of July 9, 1952, (66 Stat. 481) as amended, and Title 14, U. S. Code, the following amendments are hereby prescribed and shall become effective upon publication in the FEDERAL REGISTER.

1. Section 8.1401 is hereby amended to read as follows:

§ 8.1401 *Physical standards.* The physical standards for appointment, enlistment, reappointment, reenlistment, promotion and retention of members of the Coast Guard Reserve shall be as set forth in the Coast Guard Medical Manual.

2. Paragraphs (a) and (b) of § 8.1403 are hereby amended to read as follows:

§ 8.1403 *Persons authorized to conduct physical examinations.* (a) Physical examinations of Reservists and of applicants for appointment, enlistment, or reenlistment shall, if practicable, be conducted by a board of at least two medical officers of the U. S. Public Health Service. If impracticable to assemble such a board, physical examinations shall be conducted by one medical officer of the U. S. Public Health Service. If such a medical officer is unavailable, physical examinations may be conducted by one medical officer of any component of the Armed Forces. In special cases, physical examinations may be conducted by a reputable civilian physician provided that, unless otherwise authorized, no expense to the government is incurred.

(b) A Reservist whose duties involve flying shall be given a flight physical examination in accordance with the instructions and requirements contained in Chapter 3, Coast Guard Medical Manual.

3. Section 8.1404 is hereby amended to read as follows:

§ 8.1404 *Physical examination for short periods of training duty.* (a) Notwithstanding any other provision of these regulations, a Reservist who is ordered or authorized to perform short periods of active duty, active duty for training or inactive duty training, with or without pay, of not more than seven days duration will establish physical qualifications incident thereto in one of the following manners:

(1) If the member indicates he has suffered injury, sickness, or disease since his last military physical examination, a physical examination complete in every respect shall be accomplished.

(2) If the member has not satisfactorily passed a military physical examination within one year, a physical

examination pursuant to § 8.1407 (b) shall be accomplished.

(3) If the member has satisfactorily passed a military physical examination within one year and provided his certificate of physical condition indicates a satisfactory medical history, no physical examination will be required.

(b) Physical examination will not be required upon completion of such a period of training duty except when injury, sickness, or disease is incurred incident thereto. In such cases, a physical examination complete in every respect is required and appropriate entries shall be made in the health record and orders and required reports will be submitted.

4. Subparagraphs (2) and (7) of paragraph (a), and paragraph (b) of § 8.1406 are hereby amended to read as follows:

§ 8.1406 *Reports and records of physical examinations.* (a) * * *

(2) *Upon notification of promotion.* This subparagraph applies only to Reserve officers not on active duty and in accordance with the following:

(i) Upon appointment to a higher grade for temporary service.

(ii) Upon permanent appointment to a grade higher than that in which serving.

(iii) In the case of a permanent appointment in a grade in which the Reserve officer is already serving for temporary service, the Commandant may waive physical examination and require instead submission of a certificate of physical condition.

(7) When indicated under § 8.1404.

(b) Reservists on active duty shall undergo physical examinations in accordance with requirements for personnel of the Regular Coast Guard as set forth in the Coast Guard Medical Manual.

5. Paragraph (b) of § 8.1407 is hereby amended to read as follows:

§ 8.1407 *Completeness of physical examinations.* (a) * * *

(b) Physical examinations pursuant to § 8.1404 (a) (2) and, if the period of duty is not in excess of 30 days, pursuant to § 8.1406 (a) (3) and (4) will be conducted as follows:

(1) The physical examination need only be sufficiently complete for the medical examiner to determine whether or not the Reservist is qualified to perform duties assigned and is free from infectious or contagious disease. Each Reservist so examined shall be required to execute a certificate of physical condition indicating a satisfactory medical history since the last military physical examination. The result of this examination shall be entered upon the Reservist's orders and in his health record if he is found to be physically qualified. The certificate of physical condition and the result of the examination may be entered upon the same report using such forms as the Commandant may require.

(2) If the Reservist is found not physically qualified, or if injury, sickness, or disease was incurred while performing active duty or during the interval since

his preceding military physical examination, or if a quadrennial examination will become due within one year, a physical examination complete in every respect shall be accomplished and required reports shall be submitted.

(Sec. 4, 62 Stat. 605, as amended, 63 Stat. 545, sec. 251, 66 Stat. 495; 50 U. S. C. app. 454, 14 U. S. C. 633, 50 U. S. C. 1002)

Approved: June 20, 1956.

[SEAL] DAVID W. KENDALL,
Acting Secretary of the Treasury.

Concurred in: July 18, 1956.

CHARLES S. THOMAS,
Secretary of the Navy.

[F. R. Doc. 56-6490; Filed, Aug. 10, 1956;
8:49 a. m.]

TITLE 37—PATENTS, TRADEMARKS, AND COPYRIGHTS

Chapter II—Copyright Office, Library of Congress

REVISION OF CHAPTER

As amended, parts 201 and 202 read as follows, effective upon publication in the FEDERAL REGISTER:

PART 201—GENERAL PROVISIONS

- Sec.
- 201.1 Communications with the Copyright Office.
- 201.2 Information given by the Copyright Office.
- 201.3 Catalog of Copyright Entries.
- 201.4 Assignments of copyright and other papers.
- 201.5 Amendments to completed Copyright Office registrations and other records.
- 201.6 Payment and refund of Copyright Office fees.
- 201.7 Preparation of catalog card.
- 201.8 Import statements.

AUTHORITY: §§ 201.1 to 201.8 issued under sec. 207, 61 Stat. 666; 17 U. S. C. 207.

§ 201.1 *Communications with the Copyright Office.* Mail and other communications shall be addressed to the Register of Copyrights, Library of Congress, Washington 25, D. C.

§ 201.2 *Information given by the Copyright Office—(a) In general.* (1) Information relative to the operations of the Copyright Office is supplied without charge. A search of the records, indexes and deposits will be made for such information as they may contain relative to copyright claims upon application and payment of the statutory fee. The Copyright Office, however, does not undertake the making of comparisons of copyright deposits to determine similarity between works, nor does it give legal opinions or advice on such matters as:

(i) The validity or status of any copyright other than the facts shown in the records of the Office;

(ii) The rights of persons, whether in connection with cases of alleged copyright infringement, contracts between authors and publishers or other matters of a similar nature;

(iii) Protection of works in foreign countries or interpretation of foreign copyright laws or court opinions;

(iv) The sufficiency, extent or scope of compliance with the copyright law.

(2) In addition, the Office cannot undertake to furnish the names of copyright attorneys, publishers, agents, or other similar information.

(b) *Inspection and copying of records.* Inspection of the records, indexes and deposits may be made at such times as will not result in interference with or delay in the work of the Copyright Office. In connection with matters directly relating to copyrights and the rights of an author or proprietor in copyrighted property, copies may be made of the entries in the record books, the applications for registration after they have been passed for entry and numbered, the indexes to registrations, and similar official records of the Office. The copying from the Copyright Office records of names and addresses of copyright owners for the purpose of compiling mailing lists and other similar uses is expressly prohibited.

(c) *Correspondence.* (1) Official correspondence between copyright claimants or their agents and the Copyright Office, and directly relating to the registration of an application or to a recorded document, is made available for inspection by persons properly and directly concerned. Such persons who desire copies of the correspondence may obtain the same upon application to the Register of Copyrights, Library of Congress, Washington 25, D. C., and payment of the duplicating fees. The request for copies should identify the specific material desired and must contain a statement enabling the Office to determine whether the writer is properly and directly concerned.

(2) Correspondence relating either to a pending or a rejected application is considered to be of a confidential nature and is not available for inspection.

(3) The Copyright Office will return unanswered any abusive or scurrilous correspondence.

(d) *Requests for copies.* (1) Requests for copies of copyright deposits and Copyright Office records should be sent to the Chief, Photoduplication Service, Library of Congress, Washington 25, D. C., the accompanying fees in payment of such services being made payable to that official. When the copy is to be certified by the Copyright Office, the additional certification fee should be made payable to the Register of Copyrights and both remittances together with the transmittal letter are to be sent to the Copyright Office.

(2) Requests for copies of copyright deposits will be granted when one or more of the following conditions are fulfilled:

(i) *Authorization by owner.* When authorized in writing by the copyright owner or his designated agent.

(ii) *Request by attorney.* When required in connection with litigation, actual or prospective, in which the copyrighted work is involved; but in all such cases the attorney representing the actual or prospective plaintiff or defendant for whom the request is made shall give in writing: (a) The names of the parties and the nature of the controversy; (b)

the name of the court where the action is pending, or, in the case of a prospective proceeding, a full statement of the facts of the controversy in which the copyright work is involved; and (c) satisfactory assurances that the requested copy will be used only in connection with the specified litigation.

(iii) *Court order.* When an order to have the copy made is issued by a court having jurisdiction of a case in which the copy is to be submitted as evidence.

§ 201.3 *Catalog of Copyright Entries.* The current subscription price for all parts of the complete yearly Catalog of Copyright Entries is \$20.00. Each part of the Catalog is published in two semi-annual numbers covering, respectively, the periods January-June and July-December. The prices given in the list below are for each semiannual number. The Catalog may be obtained, upon payment of the established price, from the Register of Copyrights, Library of Congress, Washington 25, D. C., to whom requests for copies should be addressed and to whom the remittance should be made payable.

Part 1—Books and Pamphlets Including Serials and Contributions to Periodicals, \$2.50.

Part 2—Periodicals, \$1.00.

Parts 3-4—Dramas and Works Prepared for Oral Delivery, \$1.00.

Part 5A—Published Music, \$1.50.

Part 5B—Unpublished Music, \$1.50.

Part 5C—Renewal Registration—Music, \$1.00.

Part 6—Maps and Atlases, \$0.50.

Parts 7-11A—Works of Art, Reproductions of Works of Art, Scientific and Technical Drawings, Photographic Works, Prints and Pictorial Illustrations, \$1.00.

Part 11B—Commercial Prints and Labels, \$1.00.

Parts 12-13—Motion Pictures and Filmstrips, \$0.50.

§ 201.4 *Assignments of copyright and other papers.* Assignment of copyright and other papers relative to copyrights will be recorded in the Copyright Office upon payment of the statutory fee. Examples of such papers include powers of attorney, licenses to use a copyrighted work, agreements between authors and publishers covering a particular work or works and the rights thereto, mortgages, certificates of change of corporate title, wills, and decrees of distribution. The original, signed instrument should be submitted for recordation, and is returned to the sender with a certificate of record. Where the original instrument is not available, a certified or other copy may be submitted, but it shall be accompanied by a statement that the original is not available.

§ 201.5 *Amendments to completed Copyright Office registrations and other records—(a) No cancellations.* No correction or cancellation of a Copyright Office registration or other record will be made (other than a registration or record provisional upon receipt of fee as provided in § 201.6) after it has been completed if the facts therein stated agree with those supplied the Office for the purpose of making such record. However, it shall be within the discretion of the Register of Copyrights to determine if any particular case justi-

fies the placing of an annotation upon any record for the purpose of clarification, explanation, or indication that there exists elsewhere in the records, indexes or correspondence files of the Office, information which has reference to the facts as stated in such record.

(b) *Correction by new registration.* In exceptional cases, where an applicant desires to correct, amend or amplify a registration previously made in accordance with information furnished by a claimant or his agent, a new application indicating its amendatory purpose shall be filed, accompanied by the statutory fee and the same number of copies required for a new application. Where it is satisfactorily established that copies of the original work cannot be obtained for submission, photostat or microfilm copies of the original may be submitted.

§ 201.6 *Payment and refund of Copyright Office fees—(a) In general.* All fees sent to the Copyright Office should be in the form of a money order, check or bank draft payable to the Register of Copyrights. Coin or currency sent to the Office in letters or packages will be at the remitter's risk. Remittances from foreign countries must be payable and immediately negotiable in the United States for the full amount of fee required. Uncertified checks are accepted subject to collection. Where the statutory fee is submitted in the form of a check, the registration of the copyright claim or other record made by the Office is provisional until payment in money is received. In the event the fee is not paid, the registration or other record shall be expunged.

(b) *Deposit accounts.* Persons or firms having a considerable amount of business with the Copyright Office may, for their own convenience, prepay copyright expenses by establishing a Deposit Account.

(c) *Refunds.* Money paid for applications which are rejected or payments made in excess of the statutory fee will be refunded, but amounts of twenty-five cents or less will not be returned unless specifically requested and such sums may be refunded in postage stamps. All larger amounts will be refunded by check.

(d) *Return of deposit copies.* Copies of works deposited in the Copyright Office pursuant to law are either retained in the Copyright Office, transferred for the permanent collections or other uses of the Library of Congress, or disposed of according to law. When an application is rejected, the Copyright Office reserves the right to retain the deposited copies.

§ 201.7 *Preparation of catalog card.* The catalog card which may accompany a work of foreign origin, as provided in section 215 of title 17, U. S. Code, as amended, may be a catalog card supplied by a library in the country of publication. In lieu of such a card the applicant may prepare his own card, or may fill out the form supplied by the Copyright Office. The catalog card should contain the full name of the author of the original work, title and description from the title page, paging, copyright claimant, the city and year of publica-

tion, and the names of all other authors, editors, etc., whom the applicant considers of sufficient importance to record. When available, the year of birth of each author named should be given. If the form furnished by the Office is not used, the size of the card should preferably be 5 inches wide by 3 inches deep or 12.5 centimeters wide by 7.5 centimeters deep. The Register of Copyrights reserves the right to accept catalog cards not complying with the above requirements.

§ 201.8 *Import statements.* The Copyright Office will issue import statements for books and periodicals first published abroad in the English language which are to be imported under the provisions of section 16 of title 17, U. S. Code, as amended. A statement for the importation of 1,500 copies will be issued to the person named in the application for ad interim copyright registration. The holder of this statement shall present it to the customs officer in charge at the port of entry. Upon receipt of a statement from the customs officer, showing importation of less than 1,500 copies, a new statement will be issued for the balance.

PART 202—REGISTRATION OF CLAIMS TO COPYRIGHT

Sec.	
202.1	Material not subject to copyright.
202.2	Copyright notice.
202.3	Application forms.
202.4	Books (Class A).
202.5	Periodicals (Class B).
202.6	Lectures or similar productions prepared for oral delivery (Class C).
202.7	Dramatic and dramatico-musical compositions (Class D).
202.8	Musical compositions (Class E).
202.9	Maps (Class F).
202.10	Works of art (Class G).
202.11	Reproductions of works of art (Class H).
202.12	Drawings or plastic works of a scientific or technical character (Class I).
202.13	Photographs (Class J).
202.14	Prints, pictorial illustrations and commercial prints or labels (Class K).
202.15	Motion pictures (Classes L-M).
202.16	Deposit of photograph or other identifying reproduction in lieu of copies.
202.17	Renewals.
202.18	Notices of use.

AUTHORITY: §§ 202.1 to 202.18 issued under sec. 207, 61 Stat. 666; 17 U. S. C. 207.

§ 202.1 *Material not subject to copyright.* The following are examples of works not subject to copyright and applications for registration of such works cannot be entertained:

(a) Words and short phrases such as names, titles, and slogans; familiar symbols or designs; mere variations of typographic ornamentation, lettering or coloring; mere listing of ingredients or contents;

(b) Ideas, plans, methods, systems, or devices, as distinguished from the particular manner in which they are expressed or described in a writing;

(c) Works designed for recording information which do not in themselves convey information, such as, time cards, graph paper, account books, diaries, bank checks, score cards, address books, report forms, order forms and the like;

(d) Works consisting entirely of information that is common property containing no original authorship, such as, for example: standard calendars, height and weight charts, tape measures and rulers, schedules of sporting events, and lists or tables taken from public documents or other common sources.

§ 202.2 *Copyright notice*—(a) *General*. (1) With respect to a published work, copyright is secured, or the right to secure it is lost, at the date of publication, i. e., the date on which copies are first placed on sale, sold, or publicly distributed, depending upon the adequacy of the notice of copyright on the work at that time.

(2) If publication occurs by distribution of copies or in some other manner, without the statutory notice or with an inadequate notice, the right to secure copyright is lost. In such cases, copyright cannot be secured by adding the notice to copies distributed at a later date.

(b) *Defects in notice*. Where the copyright notice does not meet the requirements of the law, the Copyright Office will reject an application for copyright registration. Common defects in the notice include, among others, the following:

(1) The notice lacks one or more of the necessary elements (i. e., the word "Copyright", the abbreviation "Copr.", or the symbol ©; the name of the copyright proprietor; or, when required, the year date of publication);

(2) The elements of the notice are dispersed;

(3) The notice is not in one of the positions prescribed by law;

(4) The notice is in a foreign language;

(5) The name in the notice is that of someone who had no authority to secure copyright in his name;

(6) Copyright was first secured by registration of a work in unpublished form, and copies of the same work as later published without change in substance bear a copyright notice containing a year date subsequent to the year date of the unpublished registration;

(7) A book published abroad, for which ad interim copyright has been obtained, is subsequently published in the United States without change in substance and contains a year date in the copyright notice subsequent to the year of first publication abroad;

(8) The year date in the copyright notice is subsequent to the date of actual publication (i. e., the work contains a post-dated notice);

(9) A notice is permanently covered so that it cannot be seen without tearing the work apart;

(10) A notice is illegible or so small that it cannot be read without the aid of a magnifying glass: *Provided, however*, That where the work itself requires magnification for its ordinary use (e. g., a microfilm, microcard or motion picture) a notice which will be readable when so magnified, will not constitute a reason for rejection of the claim;

(11) A notice is on a detachable tag and will eventually be detached and discarded when the work is put in use;

(12) A notice is on the wrapper or container which is not a part of the work and which will eventually be removed and discarded when the work is put in use;

(13) The notice is restricted or limited exclusively to an uncopyrightable element, either by virtue of its position on the work, by the use of asterisks, or by other means.

§ 202.3 *Application forms*¹—(a) *In general*. Section 5 of title 17 of the U. S. Code provides thirteen classes (Class A through Class M) of works in which copyright may be claimed. Examples of certain works falling within these classes are given in §§ 202.4 to 202.15 inclusive, for the purpose of assisting persons, who desire to obtain registration of a claim to copyright, to select the correct application form.

(b) *Claims of copyright*. (1) All works deposited for registration shall be accompanied by a "claim of copyright" in the form of a properly executed application, together with the statutory registration fee.

(2) Where these separate elements are not received simultaneously, the Copyright Office holds the submitted elements for a reasonable time and, in default of the receipt of the missing element or elements after a request made therefor, the submitted item or items may be returned to the sender. Such action does not constitute a waiver of the right of the Register of Copyrights pursuant to section 14, title 17, U. S. Code, to demand compliance with the deposit provisions of that title.

(3) Applications for copyright registration covering published works should reflect the facts existing at the time of first publication, and should not include information concerning changes that have occurred between the time of publication and registration. The name given as copyright claimant in the application should agree with the name appearing in the copyright notice.

(4) Applications should be submitted by the copyright claimant, or by someone acting under his authority.

(c) *Forms*. The Copyright Office supplies without charge the following forms for use when applying for the registration of a claim to copyright in a work and for the filing of a notice of use of musical compositions on mechanical instruments.

Form A—Published book manufactured in the United States of America (Class A).

Form A-B Ad Interim—Book or periodical in the English language manufactured and first published outside the United States of America (Classes A-B).

Form A-B Foreign—Book or periodical manufactured and first published outside the United States of America, except works subject to the ad interim provisions of the copyright law of the United States of America (Classes A-B).

Form B—Periodical manufactured in the United States of America (Class B).

Form BB—Contribution to a periodical manufactured in the United States of America (Class B).

Form C—Lecture or similar production prepared for oral delivery (Class C).

Form D—Dramatic or dramatico-musical composition (Class D).

Form E—Musical composition the author of which is a citizen or domiciliary of the United States of America or which was first published in the United States of America (Class E).

Form E Foreign—Musical composition the author of which is not a citizen or domiciliary of the United States of America and which was not first published in the United States of America (Class E).

Form F—Map (Class F).

Form G—Work of art or a model or design for a work of art (Class G).

Form H—Reproduction of a work of art (Class H).

Form I—Drawing or plastic work of a scientific or technical character (Class I).

Form J—Photograph (Class J).

Form K—Print or pictorial illustration (Class K).

Form KK—Print or label used for article of merchandise (Class K).

Form L-M—Motion picture (Classes L-M).

Form R—Renewal of a copyright.

Form U—Notice of use of music on mechanical instruments.

§ 202.4 *Books (Class A)*—(a) *Subject matter and forms*. This class includes such published works as fiction and non-fiction, poems, compilations, composite works, directories, catalogs, annual publications, information in tabular form, and similar text matter, with or without illustrations, as books, either bound or in loose-leaf form, pamphlets, leaflets, cards, single pages or the like. Applications for registration of claims to copyright in published books manufactured in the United States of America are made on Form A; in books manufactured and first published outside of the United States of America, except those subject to the ad interim provisions of the copyright law, on Form A-B Foreign; and in books in the English language manufactured and first published outside the United States of America, and subject to the ad interim provisions of the copyright law, on Form A-B Ad Interim.

(b) *Ad interim registrations*. (1) An American edition of an English-language book or periodical identical in substance to that first published abroad will not be registered unless an ad interim registration is first made.

(2) When a book or periodical has been registered under the ad interim provisions, an American edition of the same work, to be registrable, must be manufactured and published in the United States within five years after the date of first publication abroad.

(3) Since by law ad interim copyright expires at the end of the ad interim term unless an American edition is published during that term, a renewal application covering a work registered only under the ad interim provisions will be rejected. Where both an ad interim and an American edition have been registered, the registrability of the renewal application is governed by the date of the first publication abroad.

§ 202.5 *Periodicals (Class B)*. This class includes such works as newspapers, magazines, reviews, bulletins, and serial publications, published at intervals of less than a year. Applications for registration of claims to copyright in published periodicals manufactured in the

¹ Filed as part of the original document.

United States of America are made on Form B; in periodicals, or in contributions thereto, manufactured and first published outside the United States of America, except those subject to the ad interim provision of the copyright law, on Form A-B Foreign; and in periodicals, or in contributions thereto, in the English language manufactured and first published outside of the United States of America, and subject to the ad interim provisions of the copyright law, on Form A-B Ad Interim. Applications for registration of claims to copyright in contributions to periodicals manufactured in the United States of America are made on Form BB. Application for registration of claims to copyright in contributions to periodicals, which contributions are prints published in connection with the sale or advertisement of an article or articles of merchandise, are made on Form KK.

§ 202.6 *Lectures or similar productions prepared for oral delivery (Class C)*. This class includes the scripts of unpublished works prepared in the first instance for oral delivery, such as lectures, sermons, addresses, monologs, panel discussions, and variety programs prepared for radio or television. The script submitted for registration in Class C should consist of the actual text of the work to be presented orally. Formats, outlines, brochures, synopses, or general descriptions of radio and television programs are not registrable in unpublished form. When published with notice as prescribed by law, such works may be considered for registration as "books" in Class A.

§ 202.7 *Dramatic and dramatico-musical compositions (Class D)*. This class includes published or unpublished works dramatic in character such as the acting version of plays for the stage, motion pictures, radio, television and the like, operas, operettas, musical comedies and similar productions, and pantomimes. Choreographic works of a dramatic character, whether the story or theme be expressed by music and action combined or by actions alone, are subject to registration in Class D. However, descriptions of dance steps and other physical gestures, including ballroom and social dances or choreographic works which do not tell a story, develop a character or emotion, or otherwise convey a dramatic concept or idea, are not subject to registration in Class D.

§ 202.8 *Musical compositions (Class E)*. (a) This class includes published or unpublished musical compositions in the form of visible notation (other than dramatico-musical compositions), with or without words, as well as new versions of musical compositions, such as adaptations or arrangements, and editing when such editing is the writing of an author. The words of a song, when unaccompanied by music, are not registrable in Class E.

(b) A phonograph record or other sound recording is not considered a "copy" of the compositions recorded on it, and is not acceptable for copyright registration. Likewise, the Copyright Office does not register claims to ex-

clusive rights in mechanical recordings themselves, or in the performances they reproduce.

§ 202.9 *Maps (Class F)*. This class includes all published cartographic representations of area, such as terrestrial maps and atlases, marine charts, celestial maps and such three-dimensional works as globes and relief models.

§ 202.10 *Works of art (Class G)*. (a) General: This class includes published or unpublished works of artistic craftsmanship, insofar as their form but not their mechanical or utilitarian aspects are concerned, such as artistic jewelry, enamels, glassware, and tapestries, as well as works belonging to the fine arts, such as paintings, drawings and sculpture.

(b) In order to be acceptable as a work of art, the work must embody some creative authorship in its delineation or form. The registrability of a work of art is not affected by the intention of the author as to the use of the work, the number of copies reproduced, or the fact that it appears on a textile material or textile product. The potential availability of protection under the design patent law will not affect the registrability of a work of art, but a copyright claim in a patented design or in the drawings or photographs in a patent application will not be registered after the patent has been issued.

(c) When the shape of an article is dictated by, or is necessarily responsive to, the requirements of its utilitarian function, its shape, though unique and attractive, cannot qualify it as a work of art. If the sole intrinsic function of an article is its utility, the fact that it is unique and attractively shaped will not qualify it as a work of art. However, where the object is clearly a work of art in itself, the fact it is also a useful article will not preclude its registration.

§ 202.11 *Reproductions of works of art (Class H)*. This class includes published reproductions of existing works of art in the same or a different medium, such as a lithograph, photoengraving, etching or drawing of a painting, sculpture or other work of art.

§ 202.12 *Drawings or plastic works of a scientific or technical character (Class I)*. (a) This class includes published or unpublished two-dimensional and three-dimensional works which have been designed for a scientific or technical use and which contain copyrightable graphic, pictorial, or sculptural material. Works registrable in Class I include diagrams or models illustrating scientific or technical works or formulating scientific or technical information in linear or plastic form, such as, for example: a mechanical drawing, an astronomical chart, an architect's blueprint, an anatomical model, or an engineering diagram.

(b) A work is not eligible for registration as a "plastic" work in Class I merely because it is formed from one of the commonly known synthetic chemical derivatives such as styrenes, vinyl compounds, or acrylic resins. The term "plastic work" as used in this context

refers to a three-dimensional work giving the effect of that which is molded or sculptured. Examples of such works include statues of animals or plants used for scientific or educational purposes, and engineers' scale models.

§ 202.13 *Photographs (Class J)*. This class includes published or unpublished photographic prints and filmstrips, slide films and individual slides. Photoengravings and other photomechanical reproductions of photographs are registered in Class K on Form K.

§ 202.14 *Prints, pictorial illustrations and commercial prints or labels (Class K)*. (a) This class includes prints or pictorial illustrations, greeting cards, picture postcards and similar prints, produced by means of lithography, photoengraving or other methods of reproduction. These works when published are registered on Form K.

(b) A print or label, not a trademark, containing copyrightable pictorial matter, text, or both, published in connection with the sale or advertisement of an article or articles of merchandise is also registered in this class on Form KK. In the case of a print which is published in a periodical, use Form KK if the print is used in connection with the sale or advertisement of an article of merchandise, Form BB if it is not. Multipage works are more appropriately classified in Class A than in Class K.

(c) A claim to copyright cannot be registered in a print or label consisting solely of trademark subject matter and lacking copyrightable matter. While the Copyright Office will not investigate whether the matter has been or can be registered at the Patent Office, it will register a properly filed copyright claim in a print or label that contains the requisite qualifications for copyright even though there is a trademark on it. However, registration of a claim to copyright does not give the claimant rights available by trademark registration at the Patent Office.

§ 202.15 *Motion pictures (classes L-M)*. A single application Form L-M is available for registration of works in Classes L (Motion Picture Photoplays) and M (Motion Pictures other than Photoplays).

(a) *Photoplays (Class L)*. This class includes published or unpublished motion pictures that are dramatic in character and tell a connected story, such as feature films, filmed television plays, short subjects and animated cartoons having a plot.

(b) *Other than photoplays (Class M)*. This class includes published or unpublished non-dramatic films such as newsreels, travelogs, training or promotional films, nature studies, and filmed television programs having no plot.

§ 202.16 *Deposit of photographs or other identifying reproductions in lieu of copies—(a) Availability of option*. In the case of a published work which is reproduced in copies for sale, classified in Classes (g), (h), (i), and (k) of section 5, title 17, U. S. Code, copies of which are considered by the Register of Copyrights to be impracticable of deposit

because of their size, weight, fragility, or monetary value, photographs or other identifying reproductions may be deposited in lieu of copies as provided by section 13, title 17, U. S. Code. The deposit of such photographs or reproductions shall be made in accordance with the following criteria:

(1) The number of sets of photographs or reproductions to be submitted shall be the same as the number of copies provided by said section 13. Each set shall consist of as many photographs or reproductions in black and white, or in color, as are necessary to identify the work.

(2) All photographs or reproductions of any one work shall be of equal size, not exceeding 9 x 12 inches, and preferably 8 x 10 inches, and shall present an image of the work not smaller than 4 inches in its greatest dimension. The exact measurement of at least one dimension of the work shall be indicated on at least one photograph of reproduction.

(3) The copyright notice and its position on the work must be clearly shown on at least one photograph or reproduction. If, because of the size or location of the copyright notice, a photographic reproduction cannot be prepared, a drawing may be submitted of the same size as the photographs or reproductions, showing the exact appearance of the notice, its dimensions, and its specific position on the work.

(4) The title of the work shall appear on the front or back of each photograph or reproduction.

(5) A copy shall be considered to be impracticable of deposit if, because of its size, weight, fragility or monetary value, it is unsuited to the filing procedures of the Copyright Office.

(b) *Exceptions.* The provisions of this section, permitting the deposit of photographs in lieu of copies in certain cases, shall not apply to fine prints and two-dimensional art reproductions. The Register of Copyrights reserves the right in any other particular case to require as a condition precedent to registration, the deposit of copies of the work as published.

§ 202.17 *Renewals.* (a) Claims to renewal copyright must be registered within the last (28th) year of the original copyright term. The original term for a published work is computed from the date of first publication; the term for a work originally registered in unpublished form is computed from the date of registration in the Copyright Office. Unless the required application and fee are received in the Copyright Office during the prescribed period before the first term of copyright expires, copyright protection is lost permanently and the work enters the public domain. The Copyright Office has no discretion to extend the renewal time limits.

(b) Renewal claims may be registered only in the names of persons falling within one of the classes of renewal claimants specified in the copyright law. If the work was a new version of a previous work, renewal may be claimed only in the new matter.

§ 202.18 *Notice of use.* Notices of use of copyrighted musical compositions on mechanical instruments will be recorded upon payment of the prescribed fees, pursuant to section 1 (e) of title 17, U. S. Code. Notices of intention to use will be received, pursuant to section 101 (e) of title 17, U. S. Code.

Approved: August 8, 1956.

[SEAL] ARTHUR FISHER,
Register of Copyrights.
L. QUINCY MUMFORD,
Librarian of Congress.

[F. R. Doc. 56-6488; Filed, Aug. 10, 1956;
8:48 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter F—Alaska Commercial Fisheries

PART 108—KODIAK AREA

CURTAILMENT OF FISHING

Basis and purpose. On the basis of light runs of pink salmon in the late streams of the Kodiak area, it has been determined that fishing should be curtailed.

Therefore, effective immediately upon publication in the FEDERAL REGISTER, §§ 108.3, 108.3a, 108.3b, 108.3c, 108.4, 108.5, and 108.5a are amended in text by deleting "August 13" and substituting in lieu thereof "August 11."

Since immediate action is necessary, notice and public procedure on this amendment are impracticable (60 Stat. 237; 5 U. S. C. 1001 et seq.).

(Sec. 1, 43 Stat. 464, as amended; 48 U. S. C. 221)

JOHN L. FARLEY,
Director.

AUGUST 9, 1956.

[F. R. Doc. 56-6535; Filed, Aug. 9, 1956;
4:19 p. m.]

PROPOSED RULE MAKING

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 239]

FORMS FOR REGISTRATION STATEMENTS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposed revision of Form S-3 (§ 239.13) under the Securities Act of 1933. This form is used for registration of capital stock of any mining corporation which is engaged or intends to engage primarily in the exploration, development, or exploitation of mineral deposits, other than oil or gas, where the securities being registered are to be sold to the public for cash. The form is prescribed only for such companies which have no active subsidiaries or record of succession and, if in the production stage, have had only limited gross receipts from the sale of ore.

The purpose of the proposed revision is to bring the form up to date and merge into it Form S-11 (§ 239.18) which is also prescribed for mining companies in the exploratory or development stage. A copy of the proposed revision is attached hereto.¹

All interested persons are invited to submit views and comments on the proposed form, in writing, to the Securities and Exchange Commission, Washington 25, D. C., on or before September 15, 1956. Except where it is requested that such communications not be disclosed, they will be considered available for public inspection.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

JULY 31, 1956.

[F. R. Doc. 56-6480; Filed, Aug. 10, 1956;
8:46 a. m.]

[17 CFR Part 239]

FORMS FOR REGISTRATION STATEMENTS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposed revision of Form S-4 (§ 239.14) under the Securities Act of 1933. This form is used for registration under that act of securities of closed-end management investment companies which are registered under the Investment Company Act of 1940 on Form N-8B-1 (§ 274.11).

A registration statement on this form consists largely of certain of the information and documents which would be required in a registration statement under the Investment Company Act of 1940, if such a statement were currently being filed. Registrants on this form are thus permitted to base their registration statements under the 1933 Act in large part upon the information and documents filed with the Commission in the original registration statement under the 1940 Act and subsequent reports filed thereunder. This is supplemented by information and documents required for registration under the 1933 Act which have not been previously furnished under the 1940 Act.

Form S-4 is being revised at this time to bring it into line with the revised Form N-8B-1. A copy of the proposed revision is attached hereto.¹

All interested persons are invited to submit their views and comments on the proposed form, in writing, to the Securities and Exchange Commission, Washington 25, D. C., on or before August 31, 1956. Except where it is requested that such communications not be disclosed, they will be considered available for public inspection.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

JULY 31, 1956.

[F. R. Doc. 56-6481; Filed, Aug. 10, 1956;
8:46 a. m.]

¹ Filed as part of the original document.

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Parts 182, 212]

FORMULAS FOR DENATURED ALCOHOL

NOTICE OF PROPOSED RULEMAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805).

[SEAL] RUSSELL C. HARRINGTON,
Commissioner of Internal Revenue.

PART 212—FORMULAS FOR DENATURED ALCOHOL

Preamble. 1. The regulations in this part shall supersede the appendix to 26 CFR Part 182, designated in F. R. Doc. 54-10417 as Appendix A "Completely Denatured Alcohol Formulae", and Appendix B "Specially Denatured Alcohol Formulae"; 19 F. R. 9438, as corrected in 20 F. R. 275.

2. These regulations shall not affect any act done or any liability or right accruing or accrued, or any suit or proceeding had or commenced, before the effective date of these regulations.

3. The regulations in this part shall be effective on the first day of the first month which begins not less than 30 days after the date of publication in the FEDERAL REGISTER.

Subpart A—Scope of Regulations

Sec.	
212.1	Formulas for denatured alcohol.
212.2	Forms prescribed.
212.3	Stocks of discontinued formulas.

Subpart B—Definitions

212.5	Meaning of terms.
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Subpart C—Completely Denatured Alcohol Formulas

212.10	General.
212.11	Formula No. 18.
212.12	Formula No. 19.

Subpart D—Specially Denatured Alcohol Formulas and Authorized Uses

212.15	General.
212.16	Formula No. 1.
212.17	Formula No. 2-B.
212.18	Formula No. 2-C.
212.19	Formula No. 3-A.
212.20	Formula No. 3-B.
212.21	Formula No. 4.
212.22	Formula No. 6-B.
212.23	Formula No. 12-A.
212.24	Formula No. 13-A.
212.25	Formula No. 17.
212.26	Formula No. 18.

Sec.	
212.27	Formula No. 19.
212.28	Formula No. 20.
212.29	Formula No. 22.
212.30	Formula No. 23-A.
212.31	Formula No. 23-F.
212.32	Formula No. 23-H.
212.33	Formula No. 25.
212.34	Formula No. 25-A.
212.35	Formula No. 27.
212.36	Formula No. 27-A.
212.37	Formula No. 27-B.
212.38	Formula No. 28-A.
212.39	Formula No. 29.
212.40	Formula No. 30.
212.41	Formula No. 31-A.
212.42	Formula No. 32.
212.43	Formula No. 33.
212.44	Formula No. 35.
212.45	Formula No. 35-A.
212.46	Formula No. 36.
212.47	Formula No. 37.
212.48	Formula No. 38-B.
212.49	Formula No. 38-C.
212.50	Formula No. 38-D.
212.51	Formula No. 38-F.
212.52	Formula No. 39.
212.53	Formula No. 39-A.
212.54	Formula No. 39-B.
212.55	Formula No. 39-C.
212.56	Formula No. 39-D.
212.57	Formula No. 40.
212.58	Formula No. 40-A.
212.59	Formula No. 42.
212.60	Formula No. 44.
212.61	Formula No. 45.
212.62	Formula No. 46.

Subpart E—Specifications for Denaturants

212.65	General.
212.66	U. S. P. or N. P.
212.67	Acetaldehyde.
212.68	Acetaldo.
212.69	Benzene.
212.70	Bone oil (Dipple's oil).
212.71	Brucine alkaloid.
212.72	n-Butyl alcohol.
212.73	tert.-Butyl alcohol.
212.74	Chloroform.
212.75	Diethyl phthalate.
212.76	Ethyl acetate.
212.77	Ethyl ether.
212.78	Gasoline.
212.79	Kerosene.
212.80	Methyl alcohol.
212.81	Methyl isobutyl ketone.
212.82	Nicotine solution.
212.83	Pyridine bases.
212.84	Pyronate.
212.85	Rubber hydrocarbon solvent.
212.86	Shellac.
212.87	Sodium (metallic).
212.88	Sucrose octa acetate.
212.89	Vinegar.
212.90	Wood alcohol.

Subpart F—Uses of Specially Denatured Alcohol

212.95	Listing of products and processes using specially denatured alcohol and formulas authorized therefor.
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Subpart G—Denaturants Authorized for Denatured Alcohol

212.100	Listing of denaturants authorized in denatured alcohol.
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Subpart H—Weights of Specially Denatured Alcohol

212.105	Weights of specially denatured alcohol.
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AUTHORITY: §§ 212.1 to 212.105 issued under sec. 7805, 68A Stat. 917; 26 U. S. C. 7805. Interpret or apply sec. 5331, 68A Stat. 661; 26 U. S. C. 5331.

SUBPART A—SCOPE OF REGULATIONS

§ 212.1 *Formulas for denatured alcohol.* The regulations in this part,

"Formulas for Denatured Alcohol" relate to formulas used for the denaturation of alcohol. The regulations give formulas for the production of specially and completely denatured alcohol, the specifications for denaturants, a listing of processes and products in which specially denatured alcohol is used and specific formulas authorized for each use, a listing of denaturants and the formulas in which used, and a table of weights of the formulas of specially denatured alcohol. The procedural and substantive requirements relative to the issuance of permits and to the production, disposition, and use of denatured alcohol are prescribed in Part 182 of this chapter.

§ 212.2 *Forms prescribed.* The Director, Alcohol and Tobacco Tax Division, is authorized to prescribe all forms required by this part, including bonds, applications, notices, reports, returns, and records. Information called for shall be furnished in accordance with the instructions on the forms or issued in respect thereto.

§ 212.3 *Stocks of discontinued formulas.* Denaturers or specially denatured alcohol dealers or users having on hand stocks of formulas of specially denatured alcohol no longer authorized by this part may (a) continue to supply or use such stocks in accordance with permits until the stocks are exhausted; (b) otherwise dispose of such stocks in a manner satisfactory to the Director, Alcohol and Tobacco Tax Division pursuant to an approved application; or (c) on approval by the assistant regional commissioner of an application to do so, destroy such stocks under such supervision as the assistant regional commissioner may prescribe.

SUBPART B—DEFINITIONS

§ 212.5 *Meaning of terms.* As used in this part, unless the context otherwise requires, terms shall have the meanings ascribed in this section.

Alcohol. "Alcohol" means that substance known as ethyl alcohol, ethanol, hydrated oxide of ethyl, or spirits of wine, from whatever source or process produced, having a proof of 160 degrees or more, but does not include the substances commonly known as whisky, brandy, rum, gin, or other spirits, produced at registered distilleries or fruit distilleries under Parts 220 and 221 of this chapter.

Assistant regional commissioner. "Assistant regional commissioner" means the assistant regional commissioner (alcohol and tobacco tax), who is responsible to, and functions under the direction and supervision of, the regional commissioner.

Commissioner. "Commissioner" means the Commissioner of Internal Revenue.

Completely denatured alcohol. "Completely denatured alcohol" means denatured alcohol in which the denaturants are of such a nature that such denatured alcohol may be sold and used within certain limitations without permit and bond.

Denaturant. "Denaturant" means a material which, when added to alcohol in accordance with formulas in this part, destroys its character as a beverage and renders it unfit for liquid medicinal purposes.

Denatured alcohol. "Denatured alcohol" means alcohol to which has been added denaturing material which destroys its character as a beverage and renders it unfit for liquid medicinal purposes.

Director, Alcohol and Tobacco Tax Division. "Director, Alcohol and Tobacco Tax Division" means the Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Treasury Department, Washington, D. C.

Essential oil. "Essential oil" means one of the volatile odoriferous oils found in plants and imparting to the plants odor, and often other characteristic properties, and includes imitation essential oils, aromatic substances, and synthetic oils which possess the denaturing characteristics of essential oils.

Gallon. "Gallon" or "wine gallon" means a United States gallon of liquid measure equivalent to the volume of 231 cubic inches.

Includes and including. The terms "includes" and "including" when used in this part shall not be deemed to exclude other things otherwise within the meaning.

I. R. C. "I. R. C." means the Internal Revenue Code of 1954.

Manufacturer or user. "Manufacturer" or "user" means a person who holds a permit to use specially denatured alcohol in any process or in the manufacturing of any substance, preparation, or product, including the product obtained by further manufacture or by combination with other materials; who recovers completely or specially denatured alcohol; or who recovers articles containing denatured alcohol.

Proof. "Proof" means the ethyl alcohol content of a liquid at 60° Fahrenheit, stated as twice the percent of ethyl alcohol by volume.

Proprietary solvent. "Proprietary solvent" means a solvent containing more than 25 percent of alcohol by volume which is manufactured with specially denatured alcohol in accordance with a formula approved by the Director and is generally adopted for specific uses.

Regional commissioner. "Regional commissioner" means the regional commissioner of internal revenue in each of the internal revenue regions.

Rubbing alcohol compound. "Rubbing alcohol compound" means any product manufactured with specially denatured alcohol which is represented to be a "rubbing alcohol compound".

Secretary. "Secretary" means the Secretary of the Treasury.

Specially denatured alcohol. "Specially denatured alcohol" means denatured alcohol in which the denaturant or denaturants are of such a nature that such denatured alcohol may be used in a greater number of specified arts and industries than completely denatured alcohol, but, except as otherwise provided in Part 182 of this chapter, may be sold,

possessed, and used only pursuant to permit and bond.

SUBPART C—COMPLETELY DENATURED ALCOHOL FORMULAS

§ 212.10 *General.* Completely denatured alcohol will be denatured in accordance with formulas prescribed in this subpart.

§ 212.11 *Formula No. 18.* To every 100 gallons of ethyl alcohol of not less than 160° proof add:

- 2.50 gallons of methyl isobutyl ketone;
- 0.125 gallon of pyronate or a compound similar thereto;
- 0.50 gallon of acetaldo (b-hydroxybutyraldehyde); and
- 1.00 gallon kerosene.

§ 212.12 *Formula No. 19.* To every 100 gallons of ethyl alcohol of not less than 160° proof add:

- 4.0 gallons of methyl isobutyl ketone; and
- 1.0 gallon of kerosene.

SUBPART D—SPECIALLY DENATURED ALCOHOL FORMULAS AND AUTHORIZED USES

§ 212.15 *General—(a) Formulas.* Specially denatured alcohol will be denatured in accordance with formulas prescribed in this subpart. Alcohol of 190, 192, or 200 degrees of proof shall be used in the manufacture of all formulas of specially denatured alcohol, unless otherwise authorized by the Director, Alcohol and Tobacco Tax Division.

(b) *Uses.* Users and manufacturers holding approved Forms 1479—A covering manufacture of products or use in processes no longer authorized for a particular formula may continue such use. The Director, Alcohol and Tobacco Tax Division, may authorize, in his discretion, the use of any formula of specially denatured alcohol for uses not specifically authorized in this part. The code number before each item under "authorized uses" shall be used in reporting the use of specially denatured alcohol.

§ 212.16 *Formula No. 1—(a) Formula.* To every 100 gallons of alcohol add:

- Five gallons wood alcohol.

(b) *Authorized uses.* (1) As a solvent:

- 011. Cellulose coatings.
- 012. Synthetic resin coatings.
- 013. Shellac coatings.
- 014. Other natural resin coatings.
- 016. Other coatings.
- 021. Cellulose plastics.
- 022. Non-cellulose plastics.
- 031. Photographic film and emulsions.
- 032. Transparent sheeting.
- 033. Explosives.
- 034. Cellulose intermediates and industrial collodions.
- 035. Soldering flux.
- 036. Adhesives and binders.
- 041. Proprietary solvents (standard formulations).
- 042. Other solvents and thinners.
- 043. Special solvents (restricted sale).
- 051. Polishes.
- 052. Inks (including meat branding inks).
- 053. Stains (wood, etc.).
- 141. Shampoos.
- 142. Soap and bath preparations.
- 311. Cellulose compounds (dehydration).
- 312. Sodium hydrosulphite (dehydration).
- 315. Other dehydration products.

- 320. Petroleum products.
- 331. Processing pectin.
- 332. Processing other food products.
- 341. Processing crude drugs.
- 342. Processing glandular products, vitamins, hormones and yeasts.
- 343. Processing antibiotics and vaccines.
- 344. Processing medicinal chemicals including alkaloids.
- 345. Processing blood and blood products.
- 349. Miscellaneous, drug processing (including manufacture of pills).
- 351. Processing dyes and intermediates.
- 352. Processing perfume materials and fixatives.
- 353. Processing photographic chemicals.
- 358. Processing other chemicals.
- 359. Processing miscellaneous products.
- 410. Disinfectants, insecticides, fungicides and other biocides.
- 420. Embalming fluids and related products.
- 430. Sterilizing and preserving solutions.
- 440. Industrial detergents and soaps.
- 450. Cleaning solutions (including household detergents).
- 481. Photo-engraving and rotogravure dyes and solutions.
- 482. Other dye solutions.
- 485. Miscellaneous solutions (including duplicating fluids).

(2) As a raw material:

- 521. Ethyl acetate.
- 522. Ethyl chloride.
- 523. Other ethyl esters.
- 530. Ethylamines (for rubber processing).
- 540. Dyes and intermediates (ethylamines).
- 551. Acetaldehyde.
- 552. Other aldehydes.
- 561. Ethyl ether.
- 562. Other ethers.
- 571. Ethylene dibromide.
- 572. Ethylene gas.
- 573. Xanthates.
- 574. Fulminate of mercury and other detonators.
- 575. Drugs and medicinal chemicals.
- 579. Other chemicals.

(3) As a fuel:

- 611. Automobile and supplementary fuels.
- 612. Airplane and supplementary fuels.
- 613. Rocket and jet fuels.
- 620. Proprietary heating fuels.
- 630. Other fuel uses.

(4) As a fluid:

- 710. Scientific instruments.
- 720. Brake fluids.
- 730. Cutting oil.
- 740. Refrigerating uses.
- 750. Other fluid uses.
- 760. Proprietary anti-freeze.

(5) Miscellaneous uses:

- 900. Specialized uses (unclassified).

(c) *Standard Proprietary Solvents Formulations using S. D. A. No. 1—(1) Formulation No. I.*

Specially denatured alcohol formula:	Gallons
No. 1.....	100
Ethyl acetate.....	5
Gasoline.....	1

(2) *Formulation No. II.*

Specially denatured alcohol formula:	Gallons
No. 1.....	100
Denaturing grade wood alcohol.....	2
Ethyl acetate.....	1
Gasoline.....	1

(3) *Formulation No. III.*

Specially denatured alcohol formula:	Gallons
No. 1.....	100
Methyl isobutyl ketone.....	1
Ethyl acetate.....	1
Gasoline.....	1

(4) Formulation No. IV.

Specially denatured alcohol formula:	Gal- lons
No. 1.....	100
Methyl isobutyl ketone.....	1
tert-butyl alcohol.....	2
Gasoline.....	1

(5) Formulation No. V.

Specially denatured alcohol formula:	Gal- lons
No. 1.....	100
Methyl isobutyl ketone.....	1
Secondary butyl alcohol.....	2
Gasoline.....	1

§ 212.17 *Formula No. 2-B—(a) Formula.* To every 100 gallons of alcohol add:

One-half gallon benzene or one-half gallon rubber hydrocarbon solvent.

(b) *Authorized uses—(1) As a solvent:*

- 021. Cellulose plastics.
- 022. Non-cellulose plastics.
- 031. Photographic film and emulsions.
- 032. Transparent sheeting.
- 033. Explosives.
- 311. Cellulose compounds (dehydration).
- 312. Sodium hydrosulfite (dehydration).
- 315. Other dehydration products.
- 320. Petroleum products.
- 331. Processing pectin.
- 332. Processing other food products.
- 341. Processing crude drugs.
- 342. Processing glandular products, vitamins, hormones and yeasts.
- 343. Processing antibiotics and vaccines.
- 344. Processing medicinal chemicals, including alkaloids.
- 349. Miscellaneous drug processing (including manufacture of pills).
- 351. Processing dyes and intermediates.
- 352. Processing perfume materials and fixatives.
- 353. Processing photographic chemicals.
- 358. Processing other chemicals.
- 359. Processing miscellaneous products.

(2) *As a raw material:*

- 521. Ethyl acetate.
- 522. Ethyl chloride.
- 523. Other ethyl esters.
- 524. Sodium ethylate, anhydrous (for own use only).
- 530. Ethylamines (for rubber processing).
- 540. Dyes and intermediates (ethylamines).
- 551. Acetaldehyde.
- 552. Other aldehydes.
- 561. Ethyl ether.
- 562. Other ethers.
- 571. Ethylene dibromide.
- 572. Ethylene gas.
- 573. Xanthates.
- 575. Drugs and medicinal chemicals.
- 579. Other chemicals.

(c) *Conditions governing use.* This formula must be used in a closed and continuous system unless it is shown that it is not practical to do so.

§ 212.18 *Formula No. 2-C—(a) Formula.* To every 100 gallons of alcohol add:

Thirty-three pounds, or more, of metallic sodium and either one-half gallon benzene or one-half gallon rubber hydrocarbon solvent.

(b) *Authorized uses. (1) As a solvent:*

- 344. Processing medicinal chemicals (including alkaloids).
- 358. Processing other chemicals.
- 359. Processing miscellaneous products.

(2) *As a raw material:*

- 523. Miscellaneous ethyl esters.

524. Sodium ethylate, anhydrous (for own use only).

- 530. Ethylamines (for rubber processing).
- 540. Dyes and intermediates (ethylamines).
- 575. Drugs and medicinal chemicals.
- 579. Other chemicals.

(c) *Conditions governing use.* This formula must be used in a closed and continuous system unless it is shown that it is not practical to do so.

§ 212.19 *Formula No. 3-A—(a) Formula.* To every 100 gallons of alcohol add:

Five gallons methyl alcohol.

(b) *Authorized uses. (1) As a solvent:*

- 021. Cellulose plastics.
- 022. Non-cellulose plastics.
- 031. Photographic film and emulsions.
- 032. Transparent sheeting.
- 033. Explosives.
- 034. Cellulose intermediates and industrial collodions.
- 035. Soldering flux.
- 036. Adhesives and binders.
- 051. Polishes.
- 052. Inks (including meat branding inks).
- 053. Stains (wood, etc.).
- 141. Shampoos.
- 142. Soaps and bath preparations.
- 311. Cellulose compounds (dehydration).
- 312. Sodium hydrosulfite (dehydration).
- 315. Other dehydration products.
- 320. Petroleum products.
- 331. Processing pectin.
- 332. Processing other food products.
- 341. Processing crude drugs.
- 342. Processing glandular products, vitamins, hormones and yeasts.
- 343. Processing antibiotics and vaccines.
- 344. Processing medicinal chemicals (including alkaloids).
- 345. Processing blood and blood products.
- 349. Miscellaneous (including manufacture of pills).
- 351. Processing dyes and intermediates.
- 352. Processing perfume materials and fixatives.
- 353. Processing photographic chemicals.
- 358. Processing other chemicals.
- 359. Processing miscellaneous products.
- 410. Disinfectants, insecticides, fungicides and other biocides.
- 420. Embalming fluids and related products.
- 430. Sterilizing and preserving solutions.
- 440. Industrial detergents and soaps.
- 450. Cleaning solutions (including household detergents).
- 470. Theater sprays, incense and room deodorants.
- 481. Photoengraving and rotogravure dyes and solutions.
- 482. Other dye solutions.
- 485. Miscellaneous solutions (including duplicating fluids).

(2) *As a raw material:*

- 530. Ethylamines (for rubber processing).
- 540. Dyes and intermediates (ethylamines).
- 575. Drugs and medicinal chemicals.
- 579. Other chemicals.

(3) *As a fuel:*

- 611. Automobile and supplementary fuels.
- 612. Airplane and supplementary fuels.
- 613. Rocket and jet fuels.
- 620. Proprietary heating fuels.
- 630. Other fuel uses.

(4) *As a fluid:*

- 710. Scientific instruments.
- 720. Brake fluids.
- 730. Cutting oils.
- 740. Refrigerating uses.
- 750. Other fluid uses.

(5) *Miscellaneous uses:*

- 810. Laboratory, reagent and pilot plant uses.
- 900. Specialized uses (unclassified).

§ 212.20 *Formula No. 3-B—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of pine tar N. F.

(b) *Authorized uses. (1) As a solvent:*

- 111. Hair and scalp preparations.
- 141. Shampoos.
- 142. Soap and bath preparations.
- 410. Disinfectants, insecticides, fungicides and other biocides.

§ 212.21 *Formula No. 4—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of the following solution: Five gallons of an aqueous solution containing 40 percent nicotine; and 3.6 av. ounces of methylene blue, N. F.; water sufficient to make 100 gallons.

(b) *Authorized uses. (1) As a solvent:*

- 460. Tobacco sprays and flavors.

§ 212.22 *Formula No. 6-B—(a) Formula.* To every 100 gallons of alcohol add:

One-half gallon pyridine bases.

(b) *Authorized uses. (1) As a raw material:*

- 523. Miscellaneous ethyl esters.
- 574. Fulminate of mercury and other detonators.
- 575. Drugs and medicinal chemicals.
- 579. Other chemicals.

§ 212.23 *Formula No. 12-A—(a) Formula.* To every 100 gallons of alcohol add:

Five gallons of benzene.

(b) *Authorized uses. (1) As a solvent:*

- 021. Cellulose plastics.
- 022. Non-cellulose plastics.
- 342. Processing glandular products, vitamins, hormones and yeasts.
- 343. Processing antibiotics and vaccines.
- 344. Processing medicinal chemicals (including alkaloids).
- 345. Processing blood and blood products.
- 351. Processing dyes and intermediates.
- 352. Processing perfume materials and fixatives.
- 358. Processing other chemicals.
- 359. Processing miscellaneous products.
- 430. Sterilizing and preserving solutions.

(2) *As a raw material:*

- 523. Miscellaneous ethyl esters.
- 530. Ethylamines (for rubber processing).
- 540. Dyes and intermediates (ethylamines).
- 575. Drugs and medicinal chemicals.
- 579. Other chemicals.

§ 212.24 *Formula No. 13-A—(a) Formula.* To every 100 gallons of alcohol add:

Ten gallons of ethyl ether.

(b) *Authorized uses. (1) As a solvent:*

- 015. Candy glazes.
- 021. Cellulose plastics.
- 022. Non-cellulose plastics.
- 031. Photographic film and emulsions.
- 032. Transparent sheeting.
- 034. Cellulose intermediates and industrial collodions.
- 052. Inks (including meat branding inks).
- 241. Collodion (U. S. P. or N. F.).
- 331. Processing pectin.
- 332. Processing other food products.
- 342. Processing glandular products, vitamins, hormones and yeasts.

343. Processing antibiotics and vaccines.
 344. Processing medicinal chemicals (including alkaloids).
 345. Processing blood and blood products.
 349. Miscellaneous drug processing (including manufacture of pills).
 352. Processing perfume materials and fixatives.
 353. Processing photographic chemicals.
 358. Processing other chemicals.
 359. Processing miscellaneous products.
 430. Sterilizing and preserving solutions.
 481. Photoengraving and rotogravure solutions and dyes.

(2) As a raw material:

523. Miscellaneous ethyl esters.
 561. Ethyl ether.
 562. Other ethers.
 575. Drugs and medicinal chemicals.
 579. Other chemicals.

§ 212.25 *Formula No. 17—(a) Formula.* To every 100 gallons of alcohol add:

Five-hundredths (0.05) gallon (6.4 fluid ounces) of bone oil (Dipple's oil).

(b) Authorized uses. (1) As a solvent:

344. Processing medicinal chemicals (including alkaloids).
 358. Processing other chemicals.
 359. Processing miscellaneous products.

(2) As a raw material:

575. Drugs and medicinal chemicals.
 579. Other chemicals.

§ 212.26 *Formula No. 18—(a) Formula.* To every 100 gallons of alcohol add:

One hundred gallons of vinegar containing not less than 9 percent of acetic acid.

(b) Authorized uses. (1) As a raw material:

511. Vinegar.

§ 212.27 *Formula No. 19—(a) Formula.* To every 100 gallons of alcohol add:

One hundred gallons of ethyl ether.

(b) Authorized uses. (1) As a solvent:

631. Photographic film and emulsions.
 634. Cellulose intermediates and industrial colloids.
 241. Collodion (U. S. P.).

§ 212.28 *Formula No. 20—(a) Formula.* To every 100 gallons of alcohol add:

Five gallons of chloroform.

(b) Authorized uses. (1) As a raw material:

579. Miscellaneous chemicals (chloroform).

§ 212.29 *Formula No. 22—(a) Formula.* To every 100 gallons of alcohol add:

Ten gallons of formaldehyde solution (U. S. P.)

(b) Authorized uses. (1) As a solvent:

420. Embalming fluids and related products.
 430. Sterilizing and preserving solutions.
 470. Theater sprays, incense and room deodorants.

§ 212.30 *Formula No. 23-A—(a) Formula.* To every 100 gallons of alcohol add:

Ten gallons of acetone, N. F.

(b) Authorized uses. (1) As a solvent:

011. Cellulose coatings.
 012. Synthetic resin coatings.
 013. Shellac coatings.
 014. Other natural resin coatings.
 015. Candy glazes.
 016. Other coatings.
 032. Transparent sheeting.
 034. Cellulose intermediates and industrial colloids.

035. Soldering flux.
 036. Adhesives and binders.
 042. Solvents and thinners (other than proprietary solvents).

052. Inks (including meat branding inks).
 053. Stains (wood, etc.).

111. Hair and scalp preparations.
 112. Bay rum.
 113. Lotions and creams (hand, face and body).

114. Body deodorants and deodorant creams.
 141. Shampoos.

142. Soaps and bath preparations.
 210. External pharmaceuticals (not U. S. P. or N. F.).

249. Miscellaneous external pharmaceuticals (U. S. P. or N. F.).

331. Processing pectin.
 332. Processing other food products.
 341. Processing crude drugs.
 342. Processing glandular products, vitamins, hormones and yeasts.

343. Processing antibiotics and vaccines.
 344. Processing medicinal chemicals (including alkaloids).

345. Processing blood and blood products.
 349. Miscellaneous drug processing (including manufacture of pills).

358. Processing other chemicals.
 359. Processing miscellaneous products.
 410. Disinfectants, insecticides, fungicides and other biocides.

420. Embalming fluids and related products.
 430. Sterilizing and preserving solutions.
 440. Industrial detergents and soaps.

450. Cleaning solutions (including household detergents).

482. Miscellaneous dye solutions.
 485. Miscellaneous solutions.

(2) As a fluid:

740. Refrigerating uses.
 750. Miscellaneous fluid uses.

§ 212.31 *Formula No. 23-F—(a) Formula.* To every 100 gallons of alcohol add:

Three pounds of salicylic acid, U. S. P., 1 pound resorcin, U. S. P.; and 1 gallon bergamot oil, N. F., or bay oil, N. F.

(b) Authorized uses. (1) As a solvent:

111. Hair and scalp preparations.
 210. External pharmaceuticals (not U. S. P. or N. F.).

§ 212.32 *Formula No. 23-H—(a) Formula.* To every 100 gallons of alcohol add:

Eight gallons of acetone, N. F. and 1.5 gallons of methyl isobutyl ketone.

(b) Authorized uses. (1) As a solvent:

111. Hair and scalp preparations.
 210. External pharmaceuticals (not U. S. P. or N. F.).

220. Rubbing alcohol compounds.
 410. Disinfectants, insecticides, fungicides and other biocides.

450. Cleaning solutions (including household detergents).

(c) Standard Formula for rubbing alcohol compound.

- S. D. A. No. 23-H..... 103.3 fl. oz.
 Sucrose octa-acetate..... 0.5 av. oz.
 Water q. s..... 1 gal.

All rubbing alcohol compounds or preparations coming under the general classification of rubbing alcohols must be manufactured with specially denatured alcohol Formula No. 23-H according to the above formula except that manufacturers may also add to the formula other odorous or medicinal ingredients provided they are shown in the formula submitted for approval and that the finished product contains 70 percent absolute alcohol by volume.

§ 212.33 *Formula No. 25—(a) Formula.* To every 100 gallons of alcohol add:

Twenty pounds of iodine, U. S. P. and 15 pounds of either potassium or sodium iodide U. S. P.

(b) Authorized uses. (1) As a solvent:

230. Tinctures of iodine.
 249. Miscellaneous external pharmaceuticals (U. S. P. or N. F.).

(c) *Formula for Strong Iodine Tincture N. F. (using S. D. A. Formula No. 25).*

Iodine U. S. P..... 6.50 av. oz.
 Potassium iodide U. S. P..... 4.50 av. oz.
 Distilled water..... 6.40 fl. oz.
 S. D. A. Formula No. 25 q. s..... 128.0 fl. oz.

(d) *Formula for Iodine Tincture U. S. P. (using S. D. A. Formula No. 25).*

Iodine U. S. P..... 1.0 av. oz. 11.0 gr.
 Sodium iodide U. S. P. 1.0 av. oz. 431.0 gr.
 Distilled water..... 65.0 fl. oz. 134.0 min.
 S. D. A. Formula No. 25
 q. s..... 128.0 fl. oz.

(e) *N. F. and U. S. P. preparations.* In preparation of N. F. and U. S. P. formulas, pursuant to paragraphs (c) and (d) of this section the quantities of iodine and potassium or sodium iodide referred to as separate items in the formula are exclusive of the denaturants in the specially denatured alcohol, and are the quantities that must be added in order that the finished products may comply with the official U. S. P. or N. F. preparations.

§ 212.34 *Formula No. 25-A—(a) Formula.* To every 100 gallons of alcohol add:

A solution composed of 20 pounds of iodine U. S. P., 15 pounds of potassium or sodium iodide U. S. P. and 15 pounds of water.

(b) Authorized uses. (1) As a solvent:

230. Tinctures of iodine.
 249. Miscellaneous external pharmaceuticals (U. S. P. or N. F.).

(c) *Formula for Strong Iodine Tincture, N. F. (using S. D. A. Formula No. 25-A).*

Iodine U. S. P..... 6.50 av. oz.
 Potassium iodide U. S. P..... 4.50 av. oz.
 Distilled water..... 4.40 fl. oz.
 S. D. A. Formula No. 25-A q. s..... 128.0 fl. oz.

(d) *Formula for Iodine Tincture, U. S. P. (using S. D. A. Formula No. 25-A).*

Iodine U. S. P..... 1.0 av. oz. 11.0 gr.
 Sodium iodide U. S. P. 1.0 av. oz. 431 gr.
 Distilled water..... 64.0 fl. oz.
 S. D. A. Formula No. 25-A
 q. s..... 128.0 fl. oz.

(e) *N. F. and U. S. P. preparations.* In preparation of N. F. and U. S. P. formulas, pursuant to paragraphs (c) and (d) of this section the quantities of iodine and potassium or sodium iodide

referred to as separate items in the formula are exclusive of the denaturants in the specially denatured alcohol, and are the quantities that must be added in order that the finished products may comply with the official U. S. P. or N. F. preparations.

§ 212.35 *Formula No. 27—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of rosemary oil, N. F. and 30 pounds of camphor, U. S. P.

(b) *Authorized uses.* (1) As a solvent:

243. Liniments, U. S. P. or N. F.

(c) *Formula for Camphor and Soap Liniment N. F. (using S. D. A. Formula No. 27).*

Hard soap, N. F. dried and granulated or powdered. 8.0 av. oz. 5 gr.

Camphor U. S. P. (small pieces). 2.0 av. oz. 280 gr.

Rosemary oil N. F. 185 min.

S. D. A. Formula No. 27. 93.75 fl. oz.

Distilled water q. s. 128.0 fl. oz.

(d) *N. F. preparation.* In the preparation of N. F. formula pursuant to paragraph (c) of this section the quantities of soap, camphor and oil of rosemary referred to as separate items in the formula are exclusive of the denaturants in the specially denatured alcohol and are quantities that must be added in order that the finished produce may comply with the official N. F. preparation.

§ 212.36 *Formula No. 27-A—(a) Formula.* To every 100 gallons of alcohol add:

Thirty-five pounds of camphor, U. S. P. and 1 gallon of clove oil, U. S. P.

(b) *Authorized uses.* (1) As a solvent:

210. External pharmaceuticals (not U. S. P. or N. F.).

§ 212.37 *Formula No. 27-B—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of lavender oil, U. S. P., and 100 pounds of medicinal soft soap, U. S. P.

(b) *Authorized uses.* (1) As a solvent:

141. Shampoos.

210. External pharmaceuticals (not U. S. P. or N. F.).

243. Liniments (U. S. P. or N. F.).

410. Disinfectants, insecticides, fungicides and other biocides.

(c) *Formula for medicinal soft soap liniment U. S. P. (using S. D. A. Formula No. 27-B).*

Medicinal soft soap, 81.0 av. oz. 240 gr. U. S. P.

Lavender oil, U. S. P. 2.0 fl. oz. 66 min.

S. D. A. Formula No. 27-B

q. s. 128.0 fl. oz.

(d) *U. S. P. preparation.* In the preparation of U. S. P. formula pursuant to paragraph (c) of this section the quantities of ingredients referred to as separate items in the formula are exclusive of the denaturants in the specially denatured alcohol and are necessary additions in order that the finished product may comply with the official formula.

§ 212.38 *Formula No. 28-A—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of gasoline.

(b) *Authorized uses.* (1) As a fuel:

611. Automobile and supplementary fuels.

612. Airplane and supplementary fuels.

613. Rocket and jet fuels.

620. Proprietary heating fuels.

630. Other fuel uses.

§ 212.39 *Formula No. 29—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of 100 percent acetaldehyde or 5 gallons of an alcohol solution of acetaldehyde containing not less than 20 percent acetaldehyde, or, where approved by the Director, Alcohol and Tobacco Tax Division, as to material and quantity, not less than 6.8 pounds if solid, or 1 gallon if liquid, of any chemical. Where material other than acetaldehyde is proposed to be used the applicant will furnish the Director, Alcohol and Tobacco Tax Division, with specifications and duplicate 8 ounce samples.

(b) *Authorized uses.* (1) As a raw material:

512. Acetic acid.

521. Ethyl acetate.

522. Ethyl chloride.

523. Other ethyl esters.

530. Ethylamines (for rubber processing).

540. Dyes and intermediates (ethylamines).

551. Acetaldehyde.

552. Other aldehydes.

561. Ethyl ether.

562. Other ethers.

571. Ethylene dibromide.

572. Ethylene gas.

573. Xanthates.

575. Drugs and medicinal chemicals.

579. Other chemicals.

580. Synthetic rubber.

(c) *Conditions governing use.* This formula is restricted to processes in which the alcohol loses its identity by being converted into other chemicals.

§ 212.40 *Formula No. 30—(a) Formula.* To every 100 gallons of alcohol add:

Ten gallons of pure methyl alcohol.

(b) *Authorized uses.* (1) As a solvent:

021. Cellulose plastics.

022. Non-cellulose plastics.

031. Photographic film and emulsions.

035. Soldering flux.

036. Adhesives and binders.

051. Polishes.

052. Inks.

053. Stains.

142. Soap and bath preparations.

331. Processing pectin.

332. Processing other food products.

341. Processing crude drugs.

342. Processing glandular products, vitamins, hormones and yeasts.

343. Processing antibiotics and vaccines.

344. Processing medicinal chemicals (including alkaloids).

345. Processing blood and blood products.

349. Miscellaneous drug processing (including manufacture of pills).

352. Processing perfume materials and fixatives.

353. Processing photographic chemicals.

358. Processing other chemicals.

359. Processing miscellaneous products.

410. Disinfectants, insecticides, fungicides and other biocides.

430. Sterilizing and preserving solutions.

440. Industrial detergents and soaps.

450. Cleaning solutions (including household detergents).

461. Photoengraving and rotogravure solutions and dyes.

482. Other dye solutions.

485. Miscellaneous solutions (including duplicating fluids).

(2) As a raw material:

575. Drugs and medicinal chemicals.

579. Other chemicals.

(3) As a fluid in:

740. Refrigerating uses.

750. Other fluid uses.

(4) Miscellaneous uses:

810. Laboratory use.

§ 212.41 *Formula No. 31-A—(a) Formula.* To every 100 gallons of alcohol add:

One hundred pounds of glycerol, U. S. P. and 20 pounds of hard soap, N. F.

(b) *Authorized uses.* (1) As a solvent:

113. Lotions and creams (hand, face, and body).

131. Tooth paste and tooth powder.

141. Shampoos.

§ 212.42 *Formula No. 32—(a) Formula.* To every 100 gallons of alcohol add:

Five gallons of ethyl ether.

(b) *Authorized uses.* (1) As a solvent:

031. Photographic film and emulsions.

052. Inks (including meat branding inks).

241. Collodion (U. S. P.).

332. Processing miscellaneous food products.

342. Processing glandular products, vitamins, hormones and yeasts.

343. Processing antibiotics and vaccines.

430. Sterilizing and preserving solutions.

461. Photoengraving and rotogravure solutions and dyes.

(2) As a raw material:

522. Ethyl chloride.

523. Other ethyl esters.

561. Ethyl ether.

562. Other ethers.

571. Ethylene dibromide.

572. Ethylene gas.

575. Drugs and medicinal chemicals.

579. Other chemicals.

580. Synthetic rubber.

§ 212.43 *Formula No. 33—(a) Formula.* To every 100 gallons of alcohol add:

Thirty pounds of methyl violet, U. S. P.

(b) *Authorized uses.* (1) As a solvent:

052. Inks.

(c) *Conditions governing use.* Meat branding inks made with Formula No. 33 do not meet U. S. Department of Agriculture meat inspection specifications for use in federally inspected establishments. Such inks must be made with FD&C Violet No. 1. Specially denatured alcohol Formulas No. 23-A and 32 are authorized for this purpose.

§ 212.44 *Formula No. 35—(a) Formula.* To every 100 gallons of alcohol add:

Thirty-five gallons of ethyl acetate.

(b) *Authorized uses.* (1) As a solvent:

015. Candy glazes.

§ 212.45 *Formula No. 35-A—(a) Formula.* To every 100 gallons of alcohol add:

Five gallons of ethyl acetate.

(b) *Authorized uses.* (1) As a solvent:

- 015. Candy glazes.
- 331. Processing pectin.
- 332. Processing other food products.
- 342. Processing glandular products, vitamins, hormones and yeasts.
- 343. Processing antibiotics and vaccines.
- 344. Processing medicinal chemicals (including alkaloids).
- 349. Miscellaneous drug processing (including manufacture of pills).
- 358. Processing miscellaneous chemicals.
- 359. Processing miscellaneous products.

(2) As a raw material:

- 511. Vinegar.
- 521. Ethyl acetate.
- 523. Other ethyl esters.

§ 212.46 *Formula No. 36—(a) Formula.* To every 100 gallons of ethyl alcohol add:

Three gallons of strong ammonia solution, U. S. P.

(b) *Authorized uses.* (1) As a raw material:

- 530. Ethylamines (for rubber processing).
- 540. Dyes and intermediates (ethylamines).

§ 212.47 *Formula No. 37—(a) Formula.* To every 100 gallons of alcohol add:

Forty-five fluid ounces of eucalyptol, U. S. P., 30 av. ounces of thymol, N. F. and 20 av. ounces of menthol, U. S. P.

(b) *Authorized uses.* (1) As a solvent:

- 111. Hair and scalp preparations.
- 112. Bay rum.
- 113. Lotions and creams (hand, face and body).
- 131. Dentifrices.
- 132. Mouth washes.
- 210. External pharmaceuticals (not U. S. P. or N. F.).
- 244. Antiseptic solutions (U. S. P. or N. F.).
- 410. Disinfectants, insecticides, fungicides and other biocides.
- 430. Sterilizing and preserving solutions.
- 470. Theater sprays, incense and room deodorants.

§ 212.48 *Formula No. 38-B—(a) Formula.* To every 100 gallons of alcohol add:

Ten pounds of any one or a total of 10 pounds of two or more of the oils and substances listed below:

- Anethol, U. S. P.
- Anise oil, U. S. P.
- Bay oil (myrcia oil), N. F.
- Benzaldehyde, N. F.
- Bergamot oil, N. F.
- Bitter almond oil, N. F.
- Camphor, U. S. P.
- Cedar leaf oil, U. S. P. XIII
- Chlorothymol, N. F.
- Cinnamic aldehyde, N. F. IX
- Cinnamon oil (cassia oil), U. S. P.
- Citronella oil, natural (pure)
- Clove oil, U. S. P.
- Coal tar, U. S. P.
- Eucalyptol, U. S. P.
- Eucalyptus oil, N. F.
- Eugenol, U. S. P.
- Guaiacol, N. F.
- Lavender oil, U. S. P.
- Menthol, U. S. P.
- Mustard oil, volatile (allyl isothiocyanate), U. S. P. XII

- Peppermint oil, U. S. P.
- Phenol, U. S. P.
- Phenyl salicylate (salol), N. F.
- Pine oil, N. F.
- Pine needle oil, dwarf, N. F.
- Rosemary oil, N. F.
- Safrol, pure
- Sassafras oil, N. F.
- Spearmint oil, N. F.
- Spike lavender oil, natural (pure).
- Storax, U. S. P.
- Thyme oil, N. F.
- Thymol, N. F.
- Tolu balsam, U. S. P.
- Turpentine oil, N. F.
- Wintergreen oil (methyl salicylate), U. S. P.

Each ingredient and the amount used to make up the required 10 pounds of denaturants must be stated on Form 1479-A. Where it is shown that none of the above single denaturants or combinations can be used in the manufacture of a particular product, application may be made to use another essential oil or substance having denaturing properties satisfactory to the Director, Alcohol and Tobacco Tax Division. In such case the applicant will furnish the Director, Alcohol and Tobacco Tax Division, with specifications and duplicate 8 ounce samples for examination.

(b) *Authorized uses.* (1) As a solvent:

- 111. Hair and scalp preparations.
- 113. Lotions and creams (hand, face and body).
- 114. Deodorants (body).
- 121. Perfumes and perfume tinctures.
- 122. Toilet waters and colognes.
- 131. Dentifrices.
- 132. Mouth washes.
- 141. Shampoos.
- 142. Soap and bath preparations.
- 210. External pharmaceuticals (not U. S. P. or N. F.).
- 243. Liniments, U. S. P. or N. F.
- 244. Antiseptic solutions, U. S. P. or N. F.
- 249. Miscellaneous external pharmaceuticals U. S. P. or N. F.
- 410. Disinfectants, insecticides, fungicides and other biocides.
- 430. Sterilizing and preserving solutions.
- 470. Theater sprays, incense and room deodorants.

§ 212.49 *Formula No. 38-C—(a) Formula.* To every 100 gallons of alcohol add:

Ten pounds of menthol, U. S. P., and 1.25 gallons of Formaldehyde solution U. S. P.

(b) *Authorized uses.* (1) As a solvent:

- 131. Dentifrices.
- 132. Mouth washes.

§ 212.50 *Formula No. 38-D—(a) Formula.* To every 100 gallons of alcohol add:

Two and one-half pounds of menthol, U. S. P. and 2.5 gallons of Formaldehyde Solution, U. S. P.

(b) *Authorized uses.* (1) As a solvent:

- 131. Dentifrices.
- 132. Mouth washes.

§ 212.51 *Formula No. 38-F—(a) Formula.* To every 100 gallons of alcohol add:

(1) Six pounds of boric acid, U. S. P., 1½ pounds thymol, N. F., 1½ pounds chlorothymol, N. F., and 1½ pounds menthol, U. S. P.; or

(2) Seven pounds of boric acid, U. S. P. and a total of 3 pounds of any two or more denaturing materials listed under Formula

No. 38-B. The denaturants selected and the amounts must be stated on Form 1479-A.

(b) *Authorized uses.* (1) As a solvent:

- 132. Mouth washes.
- 244. Antiseptic solutions (U. S. P. or N. F.).

§ 212.52 *Formula No. 39—(a) Formula.* To every 100 gallons of alcohol add:

Nine pounds of sodium salicylate or salicylic acid, U. S. P., 1.25 gallons fluid extract of quassia, N. F. VII and ¼ gallon of *tert*-butyl alcohol.

(b) *Authorized uses.* (1) As a solvent:

- 111. Hair and scalp preparations.
- 112. Bay rum.
- 121. Perfume and perfume tinctures.
- 122. Toilet waters and colognes.

§ 212.53 *Formula No. 39-A—(a) Formula.* To every 100 gallons of ethyl alcohol add:

Sixty av. ounces of any one of the following alkaloids or salts together with ¼ gallon of *tert*-butyl alcohol:

- Quinine, N. F.
- Quinine bisulfate, N. F.
- Quinine hydrochloride, U. S. P.
- Cinchonidine, pure.
- Cinchonidine sulfate, N. F. IX.

The denaturant selected must be stated on Form 1479-A.

(b) *Authorized uses.* (1) As a solvent:

- 111. Hair and scalp preparations.
- 122. Toilet waters and colognes.
- 141. Shampoos.

§ 212.54 *Formula No. 39-B—(a) Formula.* To every 100 gallons of alcohol add:

Two and one-half gallons of diethyl phthalate and ¼ gallon of *tert*-butyl alcohol.

(b) *Authorized uses.* (1) As a solvent:

- 111. Hair and scalp preparations.
- 112. Bay rum.
- 113. Lotions and creams (hand, face and body).

- 114. Deodorants (body).
- 121. Perfumes and perfume tinctures.
- 122. Toilet waters and colognes.
- 141. Shampoos.
- 142. Soap and bath preparations.
- 210. External pharmaceuticals (not U. S. P. or N. F.).

410. Disinfectants, insecticides, fungicides and other biocides.

- 450. Cleaning solutions (including household detergents).
- 470. Theater sprays, incense and room deodorants.
- 485. Miscellaneous solutions.

§ 212.55 *Formula No. 39-C—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of diethyl phthalate.

(b) *Authorized uses.* (1) As a solvent:

- 111. Hair and scalp preparations.
- 113. Lotions and creams (hand, face and body).
- 114. Deodorants (body).
- 121. Perfumes and perfume tinctures.
- 122. Toilet waters.
- 142. Soaps and bath preparations.
- 470. Theater sprays, incense and room deodorants.

432. Miscellaneous dye solutions (own use only).

(c) *Conditions governing use.* Preparations manufactured with Formula No. 39-C must contain in each gallon of finished product not less than 2 fluid ounces of perfume material (essential oils, isolates, aromatic chemicals, etc.) satisfactory to the Director, Alcohol and Tobacco Tax Division.

§ 212.56 *Formula No. 39-D—(a) Formula.* To every 100 gallons of alcohol add:

One gallon of bay oil, N. F. and either 50 av. ounces of quinine sulphate, U. S. P., 50 av. ounces of quinine bisulphate, N. F., or 200 av. ounces of sodium salicylate, U. S. P.

The denaturant selected must be stated on Form 1479-A.

(b) *Authorized uses.* (1) As a solvent:

111. Hair and scalp preparations.
112. Bay rum.

§ 212.57 *Formula No. 40—(a) Formula.* To every 100 gallons of alcohol add:

Three av. ounces of brucine (alkaloid) or brucine sulfate, N. F. IX and $\frac{1}{4}$ gallon of *tert*-butyl alcohol.

(b) *Authorized uses.* (1) As a solvent:

111. Hair and scalp preparations.
112. Bay rum.
113. Lotions and creams (hand, face and body).
114. Deodorants (body).
121. Perfumes and perfume tinctures.
122. Toilet waters and colognes.
141. Shampoos.
142. Soaps and bath preparations.
210. External pharmaceuticals (not U. S. P. or N. F.).
410. Disinfectants, insecticides, fungicides and other biocides.
450. Cleaning solutions (including household detergents).
470. Theater sprays, incense and room deodorants.
482. Miscellaneous dye solutions.
485. Miscellaneous solutions.

§ 212.58 *Formula No. 40-A—(a) Formula.* To every 100 gallons of alcohol add:

Five pounds of sucrose octa-acetate and $\frac{1}{4}$ gallon of *tert*-butyl alcohol.

(b) *Authorized uses.* (1) As a solvent:

111. Hair and scalp preparations.
112. Bay rum.
113. Lotions and creams (hand, face and body).
114. Deodorants (body).
121. Perfumes and perfume tinctures.
122. Toilet waters and colognes.
141. Shampoos.
142. Soap and bath preparations.
210. External pharmaceuticals (not U. S. P. or N. F.).
410. Disinfectants, insecticides, fungicides and other biocides.
470. Theater sprays, incense and room deodorants.
485. Miscellaneous solutions.

§ 212.59 *Formula No. 42—(a) Formula.* To every 100 gallons of alcohol add:

(1) Eighty grams of potassium iodide, U. S. P. and 109 grams of red mercuric iodide, N. F.;

(2) Ninety-five grams of thimerosal, N. F.; or

(3) Seventy-six grams of any of the following: phenyl mercuric nitrate, N. F.; phenyl mercuric chloride, N. F. IX or phenyl mercuric benzoate, pure.

(b) *Authorized uses.* (1) As a solvent:

430. Sterilizing and preserving solutions.

§ 212.60 *Formula No. 44—(a) Formula.* To every 100 gallons of alcohol add:

Ten gallons of *n*-butyl alcohol.

(b) *Authorized uses.* (1) As a solvent:

430. Sterilizing and preserving solutions.

§ 212.61 *Formula No. 45—(a) Formula.* To every 100 gallons of alcohol add:

Three hundred pound of refined white or orange shellac.

(b) *Authorized uses.* (1) As a solvent:

015. Candy glazes.

§ 212.62 *Formula No. 46—(a) Formula.* To every 100 gallons of alcohol add:

Twenty-five fluid ounces of phenol, U. S. P. and 4 fluid ounces of wintergreen oil (methyl salicylate), U. S. P.

(b) *Authorized uses.* (1) As a solvent:

220. An antiseptic, sterilizing and bathing solution having restricted use.

(c) *Conditions governing use.* This formula may be used only by institutions and organizations which are of a semi-public character and engaged in charitable work.

SUBPART E—SPECIFICATIONS FOR DENATURANTS

§ 212.65 *General.* Denaturants prescribed in this part shall comply with the specifications set forth in this subpart: *Provided*, That, in order to meet requirements of national defense or for other valid reason, the Director, Alcohol and Tobacco Tax Division, may authorize variations from such specifications or authorize the use of substitute denaturants where such variation or substitution will not jeopardize the revenue.

§ 212.66 *U. S. P. or N. F.* Denaturing materials and products listed in this part as "U. S. P." or "N. F." shall meet the specifications set forth in the current United States Pharmacopeia or National Formulary or the latest volume in which they appeared as official preparations. The designations "U. S. P." and "N. F." shall be considered interchangeable when preparations are transferred from one official publication to the other.

§ 212.67 *Acetaldehyde.*

Aldehyde content (as acetaldehyde). Not less than 95.0 percent by weight.

Color. Colorless.

Odor. Characteristic pungent, fruity odor.
Specific gravity at 15.56°/15.56° C. Not less than 0.7800.

§ 212.68 *Acetaldo.*

Purity. Not less than 90 percent by weight acetaldo as determined by the following method:

Dissolve 15 grams of the acetaldo in distilled water and dilute to 1 liter in a volumetric flask. Transfer 5 ml. of this solution to a 250 ml. glass-stoppered flask containing 25 ml. distilled water. Add 25 ml. of a freshly prepared 1 percent sodium bisulfite solution. Prepare a blank omitting the acetaldo solution. Place the flasks in a dark place away from excessive heat or cold and allow to stand six hours. Remove flasks and titrate free bisulfite with 0.1 N. Iodine solution using starch indicator.

Percent acetaldo by weight
$$\frac{(\text{ml. blank} - \text{ml. test}) \times 200 \times 0.44}{\text{weight of sample}}$$

Titration in excess of 100 percent may be obtained if the sample contains appreciable amounts of acetaldehyde.

Specific gravity at 20° C. 1.098 to 1.105.

§ 212.69 *Benzene.*

Distillation range—(A. S. T. M. D-86-53). When 100 ml. of benzene are distilled by this method, not more than 1 ml. should distill below 77° C., and not less than 95 ml. below 85° C.

Odor. Characteristic benzene odor.
Specific gravity at 15.6°/15.6° C. 0.875 to 0.886.

Water solubility. When 10 ml. of benzene are shaken with an equal volume of water in a glass-stoppered cylinder, graduated to 0.1 ml., and allowed to stand 5 minutes to separate, the upper layer of liquid shall measure not less than 9.5 ml.

§ 212.70 *Bone oil (Dipple's oil).*

Color. The color shall be a deep brown.
Distillation range. When 100 ml. are distilled in the manner described for wood alcohol, not more than 5.0 ml. should distill below 90° C.

Pyrral reaction. Prepare a 1.0 percent solution of bone oil in 95 percent alcohol. Prepare a second solution containing 0.025 percent bone oil by diluting 2.50 ml. of the first solution to 100 ml. with 95 percent alcohol. Dip a splinter of pine, previously moistened with concentrated hydrochloric acid, into 10 ml. of the 0.025 percent bone oil solution. After a few minutes the splinter should show a distinct red coloration.

Reaction with mercuric chloride. Add 5 ml. of the 1.0 percent bone oil solution above to 5 ml. of a 2 percent alcoholic solution of mercuric chloride. A turbidity is formed at once which separates into a flocculent precipitate on standing several minutes. Add 5.0 ml. of the 0.025 percent bone oil solution to 5.0 ml. of a 2.0 percent alcoholic solution of mercuric chloride. A faint turbidity appears after several minutes.

§ 212.71 *Brucine alkaloid.*

Identification test. Add a few drops of concentrated nitric acid to about 10 mg. of brucine alkaloid. A vivid red color is produced. Dilute the red solution with a few drops of water and add a few drops of freshly made dilute stannous chloride solution. A reddish purple (violet) color is produced.

Melting point. 178° C. $\pm 1^\circ$. Dry the alkaloid in an oven for one hour at 100° C., increase the temperature to 110° and dry to a constant weight before taking melting point.
NOTE: Brucine alkaloid—4 H₂O melts at 105° C. while the anhydrous form melts at 178° C.

Strychnine test. Brucine alkaloid shall be free of strychnine when tested by the method listed under Brucine Sulfate in the National Formulary, 9th Edition.

NOTE: If the brucine contains as much as 0.05 percent strychnine, a clear distinctive violet color, characteristic of strychnine, will be obtained.

Sulfate test. No white precipitate is formed that is not dissolved by hydrochloric

acid when several drops of a 1 N barium chloride solution are added to 10 ml. of a solution of the alkaloid.

§ 212.72 *n*-Butyl alcohol.

Acidity (as acetic acid). 0.03 percent by weight maximum.
Color. Colorless.
Dryness at 20° C. Miscible without turbidity with 10 volumes of 60° Bé. gasoline.
Odor. Characteristic odor.
Specific gravity at 20°/20° C. 0.810 to 0.815.

§ 212.73 *tert*-Butyl alcohol.

Acidity (as acetic acid). 0.003 percent by weight maximum.
Color. Colorless.
Distillation range (A. S. T. M. D-1078-49-T). When 100 ml. of tertiary butyl alcohol are distilled, none should distill below 78° C. and none above 85° C. More than 95 percent should distill between 81°-83° C.
Dryness at 20° C. Miscible without turbidity with 19 volumes of 60° Bé. gasoline.
Freezing point (first needle). Above 20° C.
Identification test. Place 5 drops of a solution containing approximately 0.1 percent tertiary butyl alcohol in ethyl alcohol in a test tube. Add 2 ml. of Denigé's reagent. (Dissolve 5 grams of red mercuric oxide in 20 ml. concentrated sulfuric acid. Add this solution to 80 ml. of distilled water, and filter when cool.) Heat the mixture just to the boiling point and remove from the flame. A yellow precipitate forms within a few seconds.
Non volatile matter. Less than 0.005 percent by weight.
Odor. Characteristic odor.
Residual odor after evaporation. None.
Specific gravity at 25°/25° C. 0.780 to 0.786.

§ 212.74 Chloroform.

Odor. Characteristic chloroform odor.
Specific gravity at 25°/25° C. Not less than 1.400.

§ 212.75 Diethyl phthalate.

Color. Colorless.
Distillation range (A. S. T. M. D-1078-49). When 100 ml. of diethyl phthalate are distilled by this method none should distill below 290° C. and none above 297° C.
Ester content (as diethyl phthalate). Not less than 99 percent by weight.
Note: The sample taken for ester determination should be approximately 0.8 gram. The number of ml. of 0.5N KOH used in saponification multiplied by 0.05555, indicates the grams of ester in the sample taken for assay.
Odor. Practically odorless.
Solubility. Soluble in 2 parts of 60 percent alcohol.
Specific gravity at 25°/25° C. 1.115 to 1.118.

§ 212.76 Ethyl acetate.

Acidity (as acetic acid). Not more than 0.015 percent by weight.
Color. Colorless.
Distillation range (A. S. T. M. D-1078-49-T). When 100 ml. of ethyl acetate are distilled by this method none shall distill below 70° C.; not more than 10 ml. shall distill below 72° C., and none above 80° C.
Ester content. Not less than 85 percent by weight.
Odor. Characteristic ethyl acetate odor.
Specific gravity at 20°/20° C. Not less than 0.885.

§ 212.77 Ethyl ether.

Odor. Characteristic odor.
Specific gravity at 15.56°/15.56° C. Not more than 0.728.

§ 212.78 Gasoline.

Distillation range (A. S. T. M. D-86-53). When 100 ml. of gasoline are distilled none shall distill below 90° F. Not more than 5 ml. shall be collected below 140° F., and not less than 50 ml. shall distill below 230° F.

§ 212.79 Kerosene.

Distillation range (A. S. T. M. D-86-53). No distillate should come over below 340° F. and none above 370° F.
Flash point. 115° F. minimum.
Odor. Characteristic kerosene odor.

§ 212.80 Methyl alcohol.

For making Specially Denatured Alcohol Formula No. 3A.
Acetone content. 4.0 percent by weight maximum.
Purity. Commercially pure grade or better.
Specific gravity at 15.56°/15.56° C. 0.810 maximum.
For making Specially Denatured Alcohol Formula No. 30.
Acetone content. Trace or none.
Purity. Chemically pure grade.
Specific gravity at 15.56°/15.56° C. 0.799 maximum.

§ 212.81 Methyl isobutyl ketone.

Acidity (as acetic acid). 0.02 percent by weight maximum.
Color. Colorless.
Distillation range (A. S. T. M. D-1078-49T). No distillate should come over below 111° C. and none above 117° C.
Odor. Characteristic methyl isobutyl ketone odor.
Specific gravity at 20°/20° C. 0.799 to 0.804.

§ 212.82 Nicotine solution.

Composition: Five gallons of an aqueous solution containing 40 percent nicotine; 3.6 av. oz. methylene blue N. F.; water sufficient to make 100 gallons.
Color. One ml. of the nicotine solution (previously agitated in the presence of air) is measured into 100 ml. of water and thoroughly mixed. Fifty ml. of this colored solution is compared, using Nessler tubes, with 50 ml. of a standard color solution containing 5 grams of CuSO₄·5H₂O, C. P. in 100 ml. of water. The color intensity of the solution tested should be equal to or greater than that of the standard solution.
Nicotine content. The above solution must contain not less than 1.88 percent of nicotine determined by the following process: 20 ml. of the solution are measured into a 500 ml. Kjeldahl flask provided with a suitable bulb tube, 50 ml. of 0.1 N NaOH added and the mixture distilled in a current of steam until the distillate is no longer alkaline (about 500 ml.). The distillate is then titrated with 0.1 N H₂SO₄ using rosolic acid or methyl red as indicator. Not less than 23.2 ml. should be required for neutralization.

§ 212.83 Pyridine bases.

Alkalinity. One ml. of pyridine bases dissolved in 10 ml. of water is titrated with N H₂SO₄ until a drop of the mixture placed upon Congo paper shows a distinct blue border, which soon disappears. A minimum of 9.5 ml. of the acid must be required for the end point. (Congo paper: filter paper treated with 0.1 percent aqueous solution of Congo red and dried.)
Distillation range. 100 ml. of the denaturant are distilled in the same apparatus prescribed for wood alcohol. At least 50 ml. must distill at or below 140° C. and at least 90 ml. below 160° C.
Reactions. Dissolve 1 ml. of pyridine bases in 100 ml. of water. (a) 10 ml. of this solution are treated with 5 ml. of 5 percent

aqueous solution of anhydrous fused CaCl₂ and the mixture vigorously shaken. An abundant crystalline separation should occur within 10 minutes.

(b) 10 ml. of the pyridine solution mixed with 5 ml. of Nessler's reagent must give a white precipitate.

Water content. 20 ml. of pyridine bases are shaken with 20 ml. of a caustic soda solution having a specific gravity of 1.49 (15.56°/15.56° C.) and the mixture allowed to stand until completely separated into two layers. The amount of the pyridine base layer should be 18.5 ml., minimum.

§ 212.84 Pyronate.

Pyronate is a product of the destructive distillation of hardwood meeting the following requirements:

Acidity (as acetic acid). Not more than 0.1 percent by weight, determined as follows: Add 5.0 ml. sample to 100 ml. distilled water in an Erlenmeyer flask and titrate with 0.1 N NaOH to a bromthymol blue endpoint.

Color. The color shall be no darker than the color produced by 2.0 grams of potassium dichromate in 1 liter of water. The comparison shall be made in 4 oz. oil sample bottles viewed crosswise.

Distillation range—(A. S. T. M. D-1078-49). When 100 ml. are distilled not more than 5 ml. shall distill below 70° C., and not less than 50 ml. below 160° C., and not less than 90 ml. below 205° C.

Note: Any material submitted as pyronate must agree in color, odor, taste and denaturing value with a standard sample furnished by the Alcohol and Tobacco Tax Division, Internal Revenue Service, to chemists authorized to examine samples of denaturants.

§ 212.85 Rubber hydrocarbon solvent.

Rubber hydrocarbon solvent is a petroleum derivative:

Distillation range—(A. S. T. M. D-86-53). When 10 percent of the sample has been distilled into a graduated receiver, the thermometer shall not read more than 162° F. nor less than 120° F. When 90 percent has been recovered in the receiver the thermometer shall not read more than 250° F.

§ 212.86 Shellac (refined).

Arsenic content. None as determined by the Marsh Method or Gutzelt Method.
Color. White or orange.
Rosin content. None when tested by the following method: Add 20 ml. of absolute alcohol or glacial acetic acid (m. p. 13° to 15° C.) to 2 grams of the shellac and thoroughly dissolve. Add 100 ml. of petroleum ether and mix thoroughly. Add approximately 2 liters of water and separate a portion of the ether layer (at least 50 ml.) and filter if cloudy. Evaporate the petroleum ether and test as follows: Solution A—5 ml. phenol dissolved in 10 ml. carbon tetrachloride. Solution B—1 ml. bromine dissolved in 4 ml. carbon tetrachloride. To the residue obtained above add 2 ml. of Solution A and transfer the mixture to a porcelain spot plate, filling one cavity. Immediately fill an adjacent cavity with Solution B. Cover the plate with a watch glass and observe any color formation in Solution A. A decided purple or deep indigo blue color is an indication of the presence of rosin.

§ 212.87 Sodium (metallic).

Color. Silvery-white (metallic luster) when freshly cut.

Identification test. Clean a platinum wire by dipping it in concentrated hydrochloric acid and holding it over a Bunsen burner until the flame is no longer colored. Moisten the wire loop with hydrochloric acid and dip it into the sample. Hold the wire in the Bunsen flame and note the color. Sodium

produces a golden yellow flame; not observed when viewed through a cobalt glass.

Purity. Technical grade or better.

§ 212.88 *Sucrose octa-acetate.*

Sucrose octa-acetate is an organic acetylation product occurring as a cream-colored, nonhydroscopic powder, having an intensely bitter taste.

Free acid (as acetic acid). Maximum percentage 0.15 by weight when determined by the following procedure: Dissolve 1.0 gram of sample in 50 ml. of neutralized ethyl alcohol (or SDA No. 30) and titrate with 0.1 N sodium hydroxide using phenolphthalein indicator.

Percent acid as acetic acid

$$\frac{\text{ml. NaOH used} \times 0.6}{\text{weight of sample}}$$

Insoluble matter. 0.30 percent by weight maximum.

Melting point. Not less than 78.0° C. or more than 84.0° C.

Purity. Sucrose octa-acetate 98% minimum by weight when determined by the following procedure: Transfer a weighed 1.50 gram sample to a 500 ml. Erlenmeyer flask containing 100 ml. of neutral ethyl alcohol (or SDA No. 30) and exactly 50.0 ml. of 0.5 N sodium hydroxide. Reflux for one hour on a steam bath, cool and titrate the excess sodium hydroxide with 0.5 N sulfuric acid using phenolphthalein indicator.

Percent sucrose octa-acetate

$$\frac{(\text{ml. NaOH} - \text{ml. H}_2\text{SO}_4) \times 4.2412}{\text{weight of sample}}$$

§ 212.89 *Vinegar.*

Acidity (as acetic acid). 9.0 percent by weight, minimum.

§ 212.90 *Wood alcohol.*

The wood alcohol submitted must be a partially purified distillate from crude wood alcohol obtained only by the destructive distillation of wood. It may be a blend of those distillation fractions commonly known as the methyl acetone, methyl alcohol, and allyl fractions. This blend shall consist in its entirety of all or portions of each of the fractions.

A mere physical mixture of the essential chemical constituents will not be approved nor will the addition of water subsequent to distillation in order to make the specific gravity conform to the specifications. It is the intent of these specifications that the chemical findings outlined below shall be due only to those impurities or ingredients naturally formed in the course of the destructive distillation of wood and that the extent of the presence of such impurities or ingredients be due entirely to their natural occurrence in the fractions mentioned above.

Acetone. Not less than 10.0 grams nor more than 20.0-grams of acetone and other substances estimated as acetone per 100 ml. of sample when tested by the following method: One ml. of a mixture of 10 ml. wood alcohol and 90 ml. of water is treated with 10 ml. of 2 N sodium hydroxide solution. To this mixture is added, with shaking, 50 ml. of 0.1 N iodine solution. After standing for fifteen minutes the solution is acidified with dilute sulfuric acid. The excess iodine is titrated with 0.1 N sodium thiosulfate solution using 1-2 ml. starch indicator. From 10.3 to 20.7 ml. of 0.1 N iodine solution should be required by the sample. The test should be made at a temperature between 15° and 20° C.

Calculation:

X = grams of acetone in 100 ml. sample.

Y = ml. of 0.1 N iodine solution required.

N = ml. of sample taken for titration.

Then:

$$Y(0.0968)$$

$$X = \frac{\quad}{\quad}$$

N

It is recommended that a blank be run with each test using a solution of 16 grams of acetone, C. P., made up to 100 ml. with absolute methanol. The difference between the known value and the titrated value of the blank is added to the amount of acetone found in the sample.

Color. Not darker than a freshly prepared solution of 2 ml. of 0.1 N iodine diluted to one liter with distilled water.

Distillation range (at 760 mm.) Of a 100 ml. sample taken, 90 ml. or more distillate shall be collected at a temperature not exceeding 75° C. when distilled in the following manner: The sample is placed in a short-necked glass flask of about 200 ml. capacity which is rested on an asbestos plate having a circular opening of 30 mm. in diameter. The neck of this flask is fitted with a fractionating tube 12 mm. in diameter and 170 mm. long and having a bulb just 1 cm. below the side tube which is connected with a Liebig condenser having a water jacket not less than 400 mm. in length. A standardized thermometer is placed in the fractionating tube so that the mercury bulb is suspended in the center of the fractionating bulb. Heat is applied slowly and in such manner that 5 ml. of distillate is collected per minute in a graduated cylinder.

Correction may be made for variations in barometric pressure by allowing 1° C. for each variation of 30 mm. from normal (760 mm.). Thus, at 770 mm., 90 ml. should have distilled at 75.3° C. and at 750 mm., 90 ml. should have distilled at 74.7° C.

Esters (as methyl acetate). Not less than 3 nor more than 10 grams per 100 ml. when determined as follows: Dilute 10 ml. of wood alcohol to 500 ml. with distilled water and agitate until thoroughly mixed. Transfer 100 ml. of this mixture to a 500 ml. flask, neutralize free acid, add 50 ml. excess 0.1 N sodium hydroxide (carbonate free) connect flask with air-cooled condenser about 2 feet in length, heat for two hours on a steam bath, allow to cool and titrate excess alkali with 0.1 N sulfuric acid, using phenolphthalein indicator solution.

Calculation:

M = grams of methyl acetate per 100 ml. of sample.

V = ml. of sample titrated (2 ml. in this case).

B = ml. of 0.1 N sodium hydroxide solution required.

Then

$$M = \frac{B(0.0074) \times 100}{V}$$

Miscibility with water (25° to 30° C.). No distinct separation of an oily layer shall be observed three minutes after mixing with twice its volume of water.

Pyrolygneous bodies (by bromine adsorption). It must contain such a quantity of pyrolygneous bodies (derived entirely from the methyl acetone, methyl alcohol and allyl fractions) that not less than 14 ml. nor more than 21 ml. shall be required to decolorize a standard solution containing 0.5 gram of bromine prepared as follows: Transfer 12.406 grams of potassium bromide and 3.481 grams of potassium bromate, C. P., (oven dried for 2 hours at 105° C.) to a liter volumetric flask and make up to volume with distilled water. Transfer 50 ml. of this solution containing 0.5 gram of bromine to a 200 ml. glass-stoppered flask, acidify with dilute sulfuric acid (1 to 4) and allow to stand for five minutes. From a burette add the sample of wood alcohol dropwise, not exceeding 5 ml. per minute, until the bromine color disappears. Record the ml. of sample required. The temperature of the mixture should be 20° C.

Specific gravity 15.56°/15.56° C. 0.8198 minimum.

In addition to the above requirements, the wood alcohol must be of such a character as to impart its characteristic odor and taste to the ethyl alcohol with which it is mixed, thereby giving an unmistakable warning of its presence.

SUBPART F—USES OF SPECIALLY DENATURED ALCOHOL

§ 212.95 *Listing of products and processes using specially denatured alcohol and formulas authorized therefor.* This section gives a listing, alphabetically by product or process, of formulas of specially denatured alcohol authorized for use in such products or processing, and a listing of the code numbers assigned thereto.

USES OF SPECIALLY DENATURED ALCOHOL

Product or process	Code No.	Formulas authorized
Acetaldehyde.....	551	1, 2-B, 29.
Acetic acid.....	512	1, 2-B, 29.
Adhesives and binders.....	636	1, 3-A, 23-A, 30.
Aldehydes, miscellaneous.....	552	1, 2-B, 29.
Alkaloids (processing).....	344	1, 2-B, 2-C, 3-A, 12-A, 13-A, 17, 23-A, 30, 35-A.
Antibiotics (processing).....	343	1, 2-B, 3-A, 12-A, 13-A, 23-A, 30, 32, 35-A.
Antifreeze, proprietary.....	763	1.
Antiseptic, bathing solution (restricted).....	229	46.
Antiseptic solutions, U. S. P. or N. F.....	244	37, 38-B, 38-F.
Bath preparations.....	142	1, 3-A, 3-B, 23-A, 30, 38-B, 39-B, 39-C, 40, 40-A.
Bay rum.....	112	23-A, 37, 39, 39-B, 39-D, 40, 40-A.
Bioicides, miscellaneous.....	410	1, 3-A, 3-B, 23-A, 23-H, 27-B, 30, 37, 38-B, 39-B, 40, 40-A.
Blood and blood products (processing).....	245	1, 3-A, 12-A, 13-A, 23-A, 30.
Brake fluids.....	729	1, 3-A.
Candy glazes.....	615	13-A, 23-A, 35, 35-A, 45.
Cellulose coatings.....	911	1, 23-A.
Cellulose compounds (dehydration).....	311	1, 2-B, 3-A.
Cellulose intermediates.....	634	1, 3-A, 13-A, 19, 23-A.
Chemicals (miscellaneous).....	579	1, 2-B, 2-C, 3-A, 6-B, 12-A, 13-A, 17, 20, 20, 30, 32.
Cleaning solutions.....	455	1, 3-A, 23-A, 23-H, 30, 39-B, 40.
Coatings, miscellaneous.....	610	1, 23-A.
Colloids, industrial.....	634	1, 3-A, 13-A, 19, 23-A.
Colloids, U. S. P. or N. F.....	241	13-A, 19, 32.
Colognes.....	122	38-B, 39, 39-A, 39-B, 39-C, 40, 40-A.
Crude drugs (processing).....	341	1, 2-B, 3-A, 23-A, 30.
Cutting oils.....	739	1, 3-A.
Dehydration products, miscellaneous.....	315	1, 2-B, 3-A.
Deodorants.....	131	31-A, 37, 38-B, 38-C, 38-D.
Deodorants (body).....	114	23-A, 38-B, 39-B, 39-C, 40, 40-A.
Detergents, household.....	459	1, 3-A, 23-A, 23-H, 30, 39-B, 40.
Detergents, industrial.....	449	1, 3-A, 23-A, 30.
Detonators.....	574	1, 6-B.
Disinfectants.....	410	1, 3-A, 3-B, 23-A, 23-H, 27-B, 30, 37, 38-B, 39-B, 40, 40-A.
Drugs and medicinal chemicals.....	575	1, 2-B, 2-C, 3-A, 6-B, 12-A, 13-A, 17, 20, 30, 32.
Drugs, miscellaneous (processing).....	349	1, 2-B, 3-A, 13-A, 23-A, 30, 35-A.
Duplicating fluids.....	485	1, 3-A, 30.

USES OF SPECIALLY DENATURATED ALCOHOL—Continued

Product or process	Code No.	Formulas authorized
Dyes and intermediates	540	1, 2-B, 2-C, 3-A, 12-A, 20, 30.
Dyes and intermediates (processing)	551	1, 2-B, 3-A, 12-A.
Dye solutions, miscellaneous	482	1, 3-A, 23-A, 30, 39-C, 40.
Emulsifying fluids, etc.	430	1, 3-A, 22, 39-A.
Esters, ethyl (miscellaneous)	523	1, 2-B, 2-C, 3-A, 6-B, 12-A, 13-A, 17, 20, 32, 35-A.
Ether, ethyl	561	1, 2-B, 13-A, 29, 32.
Ethers, miscellaneous	562	1, 2-B, 13-A, 29, 32.
Ethyl acetate	521	1, 2-B, 20, 35-A.
Ethylamines (rubber processing)	530	1, 2-B, 2-C, 3-A, 12-A, 20, 30.
Ethyl chloride	522	1, 2-B, 20, 32.
Ethylene dibromide	571	1, 2-B, 20, 32.
Ethylene gas	572	1, 2-B, 20, 32.
Explosives	033	1, 2-B, 3-A.
External pharmaceuticals (not U. S. P. or N. F.)	210	23-A, 23-F, 23-H, 27-A, 27-B, 37, 38-B, 39-B, 40, 40-A.
External pharmaceuticals, miscellaneous (U. S. P. or N. F.)	249	23-A, 25, 25-A, 38-B.
Fluid uses, miscellaneous	750	1, 3-A, 23-A, 30.
Food products, miscellaneous (processing)	332	1, 2-B, 3-A, 13-A, 23-A, 30, 32, 35-A.
Fuel uses, miscellaneous	630	1, 3-A, 28-A.
Fuels, airplane and supplementary	612	1, 3-A, 28-A.
Fuels, automobile and supplementary	611	1, 3-A, 28-A.
Fuels, proprietary heating	639	1, 3-A, 28-A.
Fuels, rocket and jet	613	1, 3-A, 28-A.
Fungicides	410	1, 3-A, 3-B, 23-A, 23-H, 27-B, 30, 37, 38-B, 39-B, 40, 40-A.
Glandular products (processing)	342	1, 2-B, 3-A, 12-A, 13-A, 23-A, 30, 32, 35-A.
Hair and scalp preparations	111	3-B, 23-A, 23-F, 23-H, 37, 38-B, 39, 39-A, 39-B, 39-C, 39-D, 40, 40-A.
Hormones (processing)	342	1, 2-B, 3-A, 12-A, 13-A, 23-A, 30, 32, 35-A.
Incense	470	3-A, 22, 37, 38-B, 39-B, 39-C, 40, 40-A.
Inks	032	1, 3-A, 13-A, 23-A, 30, 32, 33.
Insecticides	410	1, 3-A, 3-B, 23-A, 23-H, 27-B, 30, 37, 38-B, 39-B, 40, 40-A.
Iodine solutions (including U. S. P. and N. F. tinctures)	230	25, 25-A.
Laboratory reagents (for sale)	810	3-A, 30.
Laboratory uses	810	3-A, 30.
Lacquer thinners	042	1, 23-A.
Liniments (U. S. P. or N. F.)	243	27, 27-B, 38-B.
Lotions and creams (body, face, and hand)	113	23-A, 31-A, 37, 38-B, 39-B, 39-C, 40, 40-A.
Medicinal chemicals (processing)	344	1, 2-B, 2-C, 3-A, 12-A, 13-A, 17, 23-A, 30, 35-A.
Miscellaneous chemicals (processing)	258	1, 2-B, 2-C, 3-A, 12-A, 13-A, 17, 23-A, 30, 35-A.
Miscellaneous products (processing)	359	1, 2-B, 2-C, 3-A, 12-A, 13-A, 17, 23-A, 30, 35-A.
Mouth washes	132	37, 38-B, 38-C, 38-D, 38-F.
Perfins (processing)	231	1, 2-B, 3-A, 13-A, 23-A, 30, 35-A.
Perfume materials (processing)	352	1, 2-B, 3-A, 12-A, 13-A, 30.
Perfumes and perfume tinctures	121	38-B, 39, 39-B, 39-C, 40, 40-A.
Petroleum products	230	1, 2-B, 3-A.
Photocopying dyes and solutions	481	1, 3-A, 13-A, 30, 32.
Photographic chemicals (processing)	253	1, 3-A, 2-H, 13-A, 30.
Photographic film and emulsions	051	1, 2-B, 3-A, 13-A, 19, 30, 32.
Pill and tablet manufacture	319	1, 2-B, 3-A, 13-A, 23-A, 30, 35-A.
Plastics, cellulose	021	1, 2-B, 3-A, 12-A, 13-A, 30.
Plastics, noncellulose	022	1, 2-B, 3-A, 12-A, 13-A, 30.
Pulishes	051	1, 3-A, 30.
Preserving solutions	430	1, 3-A, 12-A, 13-A, 22, 23-A, 30, 32, 37, 38-B, 42, 44.
Proprietary solvents (standard formulas)	041	1.
Refining uses	740	1, 3-A, 23-A, 30.
Resin coatings, natural	014	1, 23-A.
Resin coatings, synthetic	012	1, 23-A.
Room deodorants	470	3-A, 22, 37, 38-B, 39-B, 39-C, 40, 40-A.
Rotogravure dyes and solutions	481	1, 3-A, 13-A, 30, 32.
Rubber synthetic	580	29, 32.
Rubbing alcohol compound	228	23-H.
Scientific instruments	710	1, 3-A.
Shampoos	141	1, 3-A, 3-B, 23-A, 27-B, 31-A, 35-B, 39-A, 39-B, 40, 40-A.
Shellac coatings	013	1, 23-A.
Soaps, industrial	440	1, 3-A, 23-A, 30.
Soaps, toilet	142	1, 3-A, 3-B, 23-A, 30, 38-B, 38-C, 39-C, 40, 40-A.
Sodium ethylate, anhydrous (restricted)	524	2-B, 2-C.
Sodium hydrosulfite (dehydration)	312	1, 2-B, 3-A.
Soldering flux	035	1, 3-A, 23-A, 30.
Solutions, miscellaneous	455	1, 3-A, 23-A, 30, 39-B, 40, 40-A.
Solvents and thinners, miscellaneous	042	1, 23-A.
Solvents, special (restricted sale)	043	1.
Stains (wood)	053	1, 3-A, 23-A, 30.
Sterilizing solutions	430	1, 3-A, 12-A, 13-A, 22, 23-A, 30, 32, 37, 38-B, 42, 44.
Theater sprays	470	3-A, 22, 37, 38-B, 39-B, 39-C, 40, 40-A.
Tobacco sprays and flavors	460	4.
Toilet waters	122	38-B, 39, 39-A, 39-B, 39-C, 40, 40-A.
Transparent sheetings	032	1, 2-B, 3-A, 13-A, 23-A.
Unclassified uses	900	1, 3-A.
Vaccine (processing)	343	1, 2-B, 3-A, 12-A, 13-A, 23-A, 30, 32, 35-A.
Vinegar	511	18, 35-A.
Vitamins (processing)	342	1, 2-B, 3-A, 12-A, 13-A, 23-A, 30, 32, 35-A.
Waxes	573	1, 2-B, 2-C, 29.
Yeast (processing)	312	1, 2-B, 3-A, 12-A, 13-A, 23-A, 30, 32, 35-A.

Anethole U. S. P.	S. D. 38-B
Anise oil U. S. P.	S. D. 38-B
Bay oil (myrcia oil) N. F.	S. D. 23-F; 38-B; 39-D
Benzaldehyde N. F.	S. D. 38-B
Benzene	S. D. 2-B; 2-C; 12-A
Bergamot oil N. F.	S. D. 23-F; 38-B
Bone oil (Dipple's oil)	S. D. 17
Boric acid U. S. P.	S. D. 38-P
Brucine alkaloid	S. D. 40
Brucine sulfate N. F. IX	S. D. 40
n-Butyl alcohol	S. D. 44
tert-Butyl alcohol	S. D. 39; 39-A; 39-B; 40; 40-A
Camphor U. S. P.	S. D. 27; 27-A; 38-B
Cedar leaf oil U. S. P. XIII	S. D. 38-B
Chloroform	S. D. 20
Chlorothymol N. F.	S. D. 38-B; 38-P
Cinnamon oil (cassia oil) U. S. P.	S. D. 38-B
Citronella oil, natural (pure)	S. D. 38-B
Cinchonidine (pure)	S. D. 39-A
Cinchonidine sulfate N. F. IX	S. D. 39-A
Cinnamic aldehyde (cinnamaldehyde) N. F. IX	S. D. 38-B
Clove oil U. S. P.	S. D. 27-A; 38-B
Coal tar U. S. P.	S. D. 38-B
Diethyl phthalate	S. D. 39-B; 39-C
Ethyl acetate	S. D. 35; 35-A
Ethyle ether	S. D. 13-A; 19; 32
Eucalyptol U. S. P.	S. D. 37; 38-B
Eucalyptus oil N. F.	S. D. 38-B
Eugenol U. S. P.	S. D. 38-B
Formaldehyde solution U. S. P.	S. D. 22; 38-C; 38-D
Gasoline	S. D. 28-A
Glycerol U. S. P.	S. D. 31-A
Guaiacol N. F.	S. D. 28-B
Iodine U. S. P.	S. D. 25; 25-A
Kerosene	C. D. 18; 19
Lavender oil U. S. P.	S. D. 27-B; 38-B
Menthol, U. S. P.	S. D. 37; 38-B; 38-C; 38-D; 38-P
Mercuric iodide, red N. F.	S. D. 42
Methylene blue N. F.	S. D. 4
Methyl alcohol	S. D. 3-A; 30
Methyl isobutyl ketone	C. D. 18; 19; S. D. 23-H
Methyl violet (methyrosaniline chloride) U. S. P.	S. D. 33
Mustard oil, volatile (allyl isothiocyanate), U. S. P. XII	S. D. 38-B
Nicotine solution	S. D. 4
Peppermint oil U. S. P.	S. D. 38-B
Phenol U. S. P.	S. D. 38-B; 46
Phenyl mercuric benzoate (pure)	S. D. 47
Phenyl mercuric chloride N. F. IX	S. D. 42
Phenyl mercuric nitrate N. F.	S. D. 42
Phenyl salicylate (salol) N. F.	S. D. 38-B
Pine needle oil, dwarf N. F.	S. D. 38-B
Pine oil, N. F.	S. D. 38-B
Pine tar, N. F.	S. D. 3-B
Potassium iodide, U. S. P.	S. D. 25; 25-A; 42
Pyridine bases	S. D. 6-B
Pyronate	C. D. 18
Quassia, fluid extract of, N. F. VII	S. D. 39
Quinine, N. F.	S. D. 39-A
Quinine bisulfate N. F.	S. D. 39-A; 39-D
Quinine hydrochloride U. S. P.	S. D. 39-A
Quinine sulfate U. S. P.	S. D. 39-D
Resorcin, U. S. P.	S. D. 23-F
Rosemary oil, N. F.	S. D. 27; 38-B
Rubber hydrocarbon solvent	S. D. 2-B; 2-C
Safrol, (pure)	S. D. 38-B
Salicylic acid, U. S. P.	S. D. 23-F; 39
Sassafras oil, N. F.	S. D. 38-B
Shellac (refined)	S. D. 45
Sodium iodide, U. S. P.	S. D. 25; 25-A
Sodium, metallic	S. D. 2-C
Sodium salicylate, U. S. P.	S. D. 39; 39-D
Soap, hard, N. F.	S. D. 31-A
Soap, medicinal soft, U. S. P.	S. D. 27-B
Spearmint oil, N. F.	S. D. 38-B
Spike lavender oil, natural (pure)	S. D. 38-B
Storax, U. S. P.	S. D. 38-B

1 Formula No. 3-A and Formula No. 30 are authorized for general laboratory purposes under Code 810. Other formulas may be authorized for laboratory use in connection with specific product development.
 2 Persons desiring other formulas for this use should indicate the fact in the space provided for this purpose on Form 1479-A.

SUBPART C—DENATURANTS AUTHORIZED FOR DENATURATED ALCOHOL

§ 212.100 Listing of denaturants authorized for denaturated alcohol. Following is an alphabetical listing of denaturants authorized for use in denaturated alcohol:

DENATURANTS AUTHORIZED FOR COMPLETELY DENATURATED ALCOHOL (C. D.) AND SPECIALLY DENATURATED ALCOHOL (S. D.)

Acetaldehyde	S. D. 29
Acetone N. F.	S. D. 23-A; 23-H
Acetaloid	C. D. 18
Almond oil, bitter N. F.	S. D. 38-B
Ammonia solution, strong U. S. P.	S. D. 36

Sucrose octa-acetate.....	S. D. 40-A
Thimerosal, N. F.....	S. D. 42
Thyme oil, N. F.....	S. D. 38-B
Thymol, N. F.....	S. D. 37; 38-B; 38-F
Tolu balsam, U. S. P.....	S. D. 38-B
Turpentine oil, N. F.....	S. D. 38-B
Vinegar.....	S. D. 18
Wintergreen oil (methyl salicylate) U. S. P.....	S. D. 38-B; 46
Wood alcohol.....	S. D. 1

**SUBPART H—WEIGHTS OF SPECIALLY
DENATURED ALCOHOL**

§ 112.105 *Weights of specially denatured alcohol.* The weight of one gallon of each formula of specially denatured alcohol at 15.56° C (60° F) is as listed in this section. (Weight of 1 gallon of water at 15.56° C (60° F) is 8.32823 pounds in air.)

WEIGHTS OF SPECIALLY DENATURED ALCOHOL

(Weights are based on use of 190 proof alcohol, except as otherwise noted. Slight deviations from this table may occur due to variations in specific gravities of authorized denaturants.)

Formula No.:	Pounds per gallon at 15.56° C. (60° F.)
1.....	6.783
2-B.....	6.795
2-C ²	7.143
3-A.....	6.785
3-B.....	6.810
4.....	6.823
6-B.....	6.801
12-A.....	6.820
13-A.....	6.740
17.....	6.795
18.....	7.802
19.....	6.463
20.....	7.062
22.....	7.037
23-A.....	6.783
23-F.....	6.808
23-H.....	6.785
25.....	7.080
25 ¹	7.083
25-A.....	7.119
25-A ¹	7.117
27.....	6.846
27-A.....	6.867
27-B.....	7.027
28-A.....	6.786
28-A ³	6.605
29.....	6.822
30.....	6.785
31-A.....	7.167
32.....	6.769
33.....	6.893
35.....	6.956
35-A.....	6.821
36.....	6.837
37.....	6.794
38-B.....	6.804
38-C.....	6.832
38-D.....	6.803
38-F.....	6.830
39.....	6.867
39-A.....	6.810
39-B.....	6.857
39-C.....	6.824
39-D.....	6.819
40.....	6.795
40-A.....	6.815
42.....	6.797
44.....	6.790
45.....	7.545
46.....	6.805

¹ With sodium iodide.

² With absolute alcohol as a base.

[F. R. Doc. 56-6491; Filed, Aug. 10, 1956;
8:49 a. m.]

[26 CFR (1954) Part 1]

**INCOME TAX; TAXABLE YEARS BEGINNING
AFTER DECEMBER 31, 1953**

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D. C., within the period of thirty days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805).

[SEAL] RUSSELL C. HARRINGTON,
Commissioner of Internal Revenue.

The following regulations for taxable years beginning after December 31, 1953, and ending after August 16, 1954, except where otherwise specifically provided, are hereby prescribed under sections 681 and 682 of the Internal Revenue Code of 1954:

- Sec.
- 1.681-1 Limitations on charitable contributions deduction of trusts; in general.
- 1.681 (a) Statutory provisions; estates and trusts; limitation on charitable contributions deduction; unrelated business income.
- 1.681 (a)-1 Limitation on charitable contributions deduction of trusts with trade or business income.
- 1.681 (b) Statutory provisions; estates and trusts; limitation on charitable contributions deduction; prohibited transactions.
- 1.681 (b)-1 Limitation on charitable contributions deduction of trusts engaged in prohibited transactions.
- 1.681 (b)-2 Disallowance to donors of certain charitable, etc., deductions for gifts made in trust.
- 1.681 (c) Statutory provisions; estates and trusts; limitation on charitable contributions deductions; trusts accumulating income.
- 1.681 (c)-1 Limitation on charitable contributions deduction of trusts accumulating income.
- 1.681 (d) Statutory provisions; estates and trusts; disallowance of certain charitable contributions deductions; cross reference.
- 1.681 (d)-1 Disallowance of certain charitable contributions deductions.
- 1.682 (a) Statutory provisions; estates and trusts; income of an estate or trust in case of divorce; inclusion in gross income of wife.

- Sec.
- 1.682 (a)-1 Income of trust in case of divorce, etc.
- 1.682 (b) Statutory provisions; estates and trusts; income of an estate or trust in case of divorce; wife considered a beneficiary.
- 1.682 (b)-1 Application of trust rules to alimony payments.
- 1.682 (c) Statutory provisions; estates and trusts; income of an estate or trust in case of divorce; definitions of "husband" and "wife".
- 1.682 (c)-1 Definitions.

§ 1.681-1 *Limitations on charitable contributions deduction of trust; in general.* Under section 681, the unlimited charitable contributions deduction otherwise allowable to a trust under section 642 (c) is, in general, subject to percentage limitations, corresponding to those applicable to contributions by an individual under sections 170 (b) (1) (A) and (B), under the following circumstances:

(a) To the extent that the deduction is allocable to "unrelated business income";

(b) If the trust has engaged in a "prohibited transaction";

(c) If income is accumulated for a charitable purpose and the accumulation is (1) unreasonable, (2) substantially diverted to a noncharitable purpose, or (3) invested against the interests of the charitable beneficiaries.

Further, if the circumstance set forth in paragraph (a) or (c) of this section is applicable, the deduction is limited to income actually paid out for charitable purposes, and is not allowed for income only set aside or to be used for those purposes. If the circumstance set forth in paragraph (b) of this section is applicable, deductions for contributions to the trust may be disallowed. The provisions of section 681 are discussed in detail in §§ 1.681 (a)-1 through 1.681 (c)-1. For definition of the term "income" see section 643 (b) and § 1.643 (b)-1.

§ 1.681 (a) *Statutory provisions; estates and trusts; limitation on charitable contributions deduction; unrelated business income.*

Sec. 681, *Limitation on charitable deduction—(a) Trade or business income.* In computing the deduction allowable under section 642 (c) to a trust, no amount otherwise allowable under section 642 (c) as a deduction shall be allowed as a deduction with respect to income of the taxable year which is allocable to its unrelated business income for such year. For purposes of the preceding sentence, the term "unrelated business income" means an amount equal to the amount which, if such trust were exempt from tax under section 501 (a) by reason of section 501 (c) (3), would be computed as its unrelated business taxable income under section 512 (relating to income derived from certain business activities and from certain leases).

§ 1.681 (a)-1 *Limitation on charitable contributions deduction of trusts with trade or business income—(a) In general.* No charitable contributions deduction is allowable to a trust under section 642 (c) for any taxable year for

amounts allocable to the trust's unrelated business income for the taxable year. For the purpose of section 681 (a) the term "unrelated business income" of a trust means an amount which would be computed as the trust's unrelated business taxable income under section 512 and the regulations thereunder, if the trust were an organization exempt from tax under section 501 (a) by reason of section 501 (c) (3). For the purpose of the computation under section 512, the term "unrelated trade or business" includes a trade or business carried on by a partnership of which a trust is a member, as well as one carried on by the trust itself. While the charitable contributions deduction under section 642 (c) is entirely disallowed by section 681 (a) for amounts allocable to "unrelated business income", a partial deduction is nevertheless allowed for such amounts by the operation of section 512 (b) (11), as illustrated in paragraphs (b) and (c) of this section. This partial deduction is subject to the percentage limitations applicable to contributions by an individual under section 170 (b) (1) (A) and (B), and is not allowed for amounts set aside or to be used for charitable purposes but not actually paid out during the taxable year. Charitable contributions deductions otherwise allowable under section 170, 542 (b) (2), or 642 (c) for contributions to a trust are not disallowed solely because the trust has unrelated business income.

(b) *Determination of amounts allocable to unrelated business income.* In determining the amount for which a charitable contributions deduction would otherwise be allowable under section 642 (c) which are allocable to unrelated business income, and therefore not allowable as a deduction, the following steps are taken:

(1) There is first determined the amount which would be computed as the trust's unrelated business taxable income under section 512 and the regulations thereunder if the trust were an organization exempt from tax under section 501 (a) by reason of section 501 (c) (3), but without taking the charitable contributions deduction allowed under section 512 (b) (11).

(2) The amount for which a charitable contributions deduction would otherwise be allowable under section 642 (c) is then allocated between the amount determined in subparagraph (1) of this paragraph and any other income of the trust. Unless the facts clearly indicate to the contrary, the allocation to the amount determined in subparagraph (1) of this paragraph is made on the basis of the ratio (but not in excess of 100 percent) of the amount determined in subparagraph (1) of this paragraph to the taxable income of the trust, determined without the deduction for personal exemption under section 642 (b), the charitable contributions deduction under section 642 (c), or the deduction for distributions to beneficiaries under section 681 (a).

(3) The amount for which a charitable contributions deduction would otherwise be allowable under section 642 (c) which is allocable to unrelated busi-

ness income as determined in subparagraph (2) of this paragraph, and therefore not allowable as a deduction, is the amount determined in subparagraph (2) of this paragraph reduced by the charitable contributions deduction which would be allowed under section 512 (b) (11) if the trust were an organization exempt from tax under section 501 (a) by reason of section 501 (c) (3).

(c) *Examples.* (1) The application of this section may be illustrated by the following examples, in which it is assumed that the Y charity is not a church, an educational organization, or a hospital described in section 170 (b) (1) (A) (see subparagraph (2) of this paragraph):

Example (1). The X trust has income of \$50,000. There is included in this amount a net profit of \$31,000 from the operation of a trade or business. The trustee is required to pay half of the trust income to A, an individual, and the balance of the trust income to the Y charity, an organization described in section 170 (c) (2). The trustee pays each beneficiary \$25,000. Under these facts, the unrelated business income of the trust (computed before the charitable contributions deduction which would be allowed under section 512 (b) (11)) is \$30,000 (\$31,000 less the deduction of \$1,000 allowed by section 512 (b) (12)). The deduction otherwise allowable under section 642 (c) is \$25,000, the amount paid to the Y charity. The portion allocable to the unrelated business income (computed as prescribed in paragraph (b) (2) of this section above) is \$15,000, that is, an amount which bears the same ratio to \$25,000 as \$30,000 bears to \$50,000. The portion allocable to the unrelated business income, and therefore disallowed as a deduction, is \$15,000 reduced by \$6,000 (the charitable contributions deduction which would be allowable under section 512 (b) (11)), or \$9,000.

Example (2). Assume the same facts as in example (1), except that the trustee has discretion as to the portion of the trust income to be paid to each beneficiary, and the trustee pays \$40,000 to A and \$10,000 to the Y charity. The deduction otherwise allowable under section 642 (c) is \$10,000. The portion allocable to the unrelated business income computed as prescribed in paragraph (b) (2) of this section is \$6,000, that is, an amount which bears the same ratio to \$10,000 as \$30,000 bears to \$50,000. Since this amount does not exceed the charitable contributions deduction which would be allowable under section 512 (b) (11) (\$6,000, determined as in example (1)), no portion of it is disallowed as a deduction.

Example (3). Assume the same facts as in example (1), except that the terms of the trust instrument require the trustee to pay to the Y charity the trust income, if any, derived from the trade or business, and to pay to A all the trust income derived from other sources. The trustee pays \$31,000 to the Y charity and \$19,000 to A. The deduction otherwise allowable under section 642 (c) is \$31,000. Since the ratio prescribed in paragraph (b) (2) of this section does not apply, the amount allocable to the unrelated business income computed before the charitable contributions deduction under section 512 (b) (11) is \$30,000. The amount allocable to the unrelated business income and therefore disallowed as a deduction is \$34,000.

Example (4). (1) Under the terms of the trust, the trustee is required to pay half of the trust income to A, an individual, for his life, and the balance of the trust income to the Y charity, an organization described in section 170 (c) (2). Capital gains are allocable to corpus and upon A's death the

trust is to terminate and the corpus is to be distributed to the Y charity. The trust has taxable income of \$50,000 computed without any deduction for specific exemption, charitable contributions, or distributions. The amount of \$50,000 consists of \$10,000 capital gains, \$30,000 (\$31,000 less the \$1,000 deduction allowed under section 512 (b) (12)) unrelated business income (computed before the charitable contributions deduction which would be allowed under section 512 (b) (11)) and other income of \$10,000. The trustee pays each beneficiary \$20,000.

(2) The deduction otherwise allowable under section 642 (c) is \$30,000 (\$20,000 paid to Y charity and \$10,000 capital gains allocated to corpus and permanently set aside for charitable purposes). The portion allocable to the unrelated business income is \$15,000, that is, an amount which bears the same ratio to \$30,000 (the amount paid to Y charity) as \$30,000 bears to \$40,000 (\$50,000 less \$10,000 capital gains allocable to corpus). The portion allocable to the unrelated business income, and therefore disallowed as a deduction, is \$15,000 reduced by \$6,000 (the charitable contributions deduction which would be allowable under section 512 (b) (11)), or \$9,000.

(2) If, in the examples in subparagraph (1) of this paragraph, the Y charity were a church, an educational organization, or a hospital described in section 170 (b) (1) (A), then the deduction allowable under section 512 (b) (11) would be computed at a rate of 30 percent.

§ 1.681 (b) *Statutory provisions; estates and trusts; limitation on charitable contributions deductions; prohibited transactions.*

Sec. 681. *Limitation on charitable deduction.*

(b) *Operations of trusts—(1) Limitation on charitable, etc., deduction.* The amount otherwise allowable under section 642 (c) as a deduction shall not exceed 20 percent of the taxable income of the trust (computed without the benefit of section 642 (c) but with the benefit of section 170 (b) (1) (A)) if the trust has engaged in a prohibited transaction, as defined in paragraph (2).

(2) *Prohibited transactions.* For purposes of this subsection, the term "prohibited transaction" means any transaction after July 1, 1950, in which any trust while holding income or corpus which has been permanently set aside or is to be used exclusively for charitable or other purposes described in section 642 (c)—

(A) Lends any part of such income or corpus, without receipt of adequate security and a reasonable rate of interest, to;

(B) Pays any compensation from such income or corpus, in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered, to;

(C) Makes any part of its services available on a preferential basis to;

(D) Uses such income or corpus to make any substantial purchase of securities or any other property, for more than an adequate consideration in money or money's worth, from;

(E) Sells any substantial part of the securities or other property comprising such income or corpus, for less than an adequate consideration in money or money's worth, to; or

(F) Engages in any other transaction which results in a substantial diversion of such income or corpus to;

the creator of such trust; any person who has made a substantial contribution to such trust; a member of a family (as defined in section 267 (c) (4)) of an individual who is the creator of the trust or who has made a substantial contribution to the trust; or a

corporation controlled by any such creator or person through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of all classes of stock of the corporation.

(3) *Taxable years affected.* The amount otherwise allowable under section 642 (c) as a deduction shall be limited as provided in paragraph (1) only for taxable years after the taxable year during which the trust is notified by the Secretary that it has engaged in such transaction, unless such trust entered into such prohibited transaction with the purpose of diverting such corpus or income from the purposes described in section 642 (c), and such transaction involved a substantial part of such corpus or income.

(4) *Future charitable, etc., deductions of trusts denied deduction under paragraph (3).* If the deduction of any trust under section 642 (c) has been limited as provided in this subsection, such trust, with respect to any taxable year following the taxable year in which notice is received of limitation of deduction under section 642 (c), may, under regulations prescribed by the Secretary or his delegate, file claim for the allowance of the unlimited deduction under section 642 (c), and if the Secretary, pursuant to such regulations, is satisfied that such trust will not knowingly again engage in a prohibited transaction, the limitation provided in paragraph (1) shall not apply with respect to taxable years after the year in which such claim is filed.

(5) *Disallowance of certain charitable, etc., deductions.* No gift or bequest for religious, charitable, scientific, literary, or educational purposes (including the encouragement of art and the prevention of cruelty to children or animals), otherwise allowable as a deduction under section 170, 545 (b) (2), 642 (c), 2055, 2106 (a) (2), or 2522, shall be allowed as a deduction if made in trust and, in the taxable year of the trust in which the gift or bequest is made, the deduction allowed the trust under section 642 (c) is limited by paragraph (1). With respect to any taxable year of a trust in which such deduction has been so limited by reason of entering into a prohibited transaction with the purpose of diverting such corpus or income from the purposes described in section 642 (c), and such transaction involved a substantial part of such income or corpus, and which taxable year is the same, or before the, taxable year of the trust in which such prohibited transaction occurred, such deduction shall be disallowed the donor only if such donor or (if such donor is an individual) any member of his family (as defined in section 267 (c) (4)) was a party to such prohibited transaction.

(6) *Definition.* For purposes of this subsection, the term "gift or bequest" means any gift, contribution, bequest, devise, or legacy, or any transfer without adequate consideration.

§ 1.681 (b)-1 *Limitation on charitable contributions deduction of trusts engaged in prohibited transactions—(a) In general.* (1) If a trust has engaged in a "prohibited transaction", the charitable contributions deduction which would otherwise be allowable to the trust under section 642 (c) is limited by section 681 (b) (1) to 20 percent of the taxable income of the trust (computed without any charitable contributions deduction), except that an additional deduction of up to 10 percent of such taxable income is allowed for amounts actually paid to a church, an educational organization, or a hospital qualifying under section 170 (b) (1) (A). There is no requirement that amounts subject to the 20-percent

limitation be actually paid, if they are set aside or are to be used exclusively for charitable or other purposes so that they would be deductible under section 642 (c).

(2) A "prohibited transaction" is any transaction described in section 681 (b) (2) (A) through (F), entered into after July 1, 1950, by a trust holding income or corpus permanently set aside or to be used exclusively for purposes described in section 642 (c), with (i) the creator of the trust, (ii) any substantial contributor to the trust, (iii) a member of the family (as defined in section 267 (c) (4)), dealing with transactions between related taxpayers) of the creator or of a substantial contributor, or (iv) a corporation which the creator or a substantial contributor controls (within the meaning of the last portion of section 681 (b) (2)).

(3) If the trust entered into a prohibited transaction for the purpose of diverting income or corpus from the charitable or other purposes described in section 642 (c), and if the transaction involved a substantial portion of such income or corpus, the limitation of section 681 (b) (1) is applicable for the taxable year of the trust in which the transaction was commenced and for all subsequent taxable years. See examples under §§ 1.681 (b)-2 and 1.503-1. Otherwise, the limitation is only applicable for taxable years of the trust after the taxable year in which there is mailed to it, by registered or certified mail directed to the last known address of the fiduciary, a written notice by the Commissioner that it has engaged in a prohibited transaction.

(b) *Restoration of unlimited deduction.* A trust whose charitable contributions deduction under section 642 (c) has been limited by reason of the provisions of section 681 (b) (1) may file, in any taxable year following the taxable year in which notice of limitation of the deduction was issued, a claim for allowance of an unlimited deduction under section 642 (c). This claim shall be filed with the district director with whom the fiduciary is required to file the income tax return of the trust. The claim must contain or have attached to it a written declaration made under the penalties of perjury by the fiduciary (or fiduciaries) that he will not knowingly permit the trust again to engage in a prohibited transaction. If the district director is satisfied that the trust will not knowingly again engage in a prohibited transaction, he shall so notify the trust in writing. In such case the trust will be allowed an unlimited deduction under section 642 (c) (subject to the provisions of section 681) with respect to taxable years subsequent to the taxable year in which the claim is filed. Section 681 (b) (3) contemplates that a trust whose charitable contributions deduction has been limited as prescribed therein shall be subject to such limitation for at least one full taxable year.

§ 1.681 (b)-2 *Disallowance to donors of certain charitable, etc., deductions for gifts made in trust—(a) In general.* Section 681 (b) (5) provides that no contribution which would otherwise be allowable as a deduction under sections 170

(c) (2), 545 (b) (2), or 642 (c) is allowable if made to a trust whose charitable contribution deduction under section 642 (c) is limited, in the taxable year of the trust in which the contribution is made, under the provisions of section 681 (b) (1) by reason of a prohibited transaction. However, this disallowance is applicable only to contributions made in taxable years of the trust after the taxable year in which occurred the prohibited transaction causing the trust's charitable deduction to be limited, unless—

(1) The trust has been notified in a previous taxable year (in or subsequent to the year in which the transaction was commenced) by the Commissioner, pursuant to section 681 (b) (3), that it has engaged in a prohibited transaction, or

(2) The donor of the contribution or, if the donor is an individual, any member of his family (as defined in section 267 (c) (4)), dealing with transactions between related taxpayers) was a party to the prohibited transaction.

(b) *Subsection not exclusive.* The prohibited transactions enumerated in section 681 (b) (2) are in addition to and not in limitation of the restrictions contained in section 170 (c) (2), 545 (b) (2), or 642 (c). A deduction may not be allowed in view of the general provisions of those sections, even though the trust has not engaged in any of the prohibited transactions referred to in section 681 (b) (2). Thus, if the donor or the fiduciary of the trust enters into a transaction with the trust, the transaction will be closely scrutinized to ascertain whether the contribution is in fact made for the stated exempt purposes.

(c) *Example.* Under the terms of an irrevocable trust established by A in 1954, the trustees were to pay half of the income of the trust to A's wife for life, and the trustees were given discretion either to accumulate the remaining half of the income for, or distribute it to, a specified charitable beneficiary. Upon the death of the wife, the entire corpus was to be paid to the named charity. The trust makes its income tax returns on the basis of the calendar year. For 1954, A takes a charitable contributions deduction for the amount of the gift in trust to the charity. In 1957, 1958, 1959, and 1960, A makes further contributions to the trust and he takes deductions for those years under section 170 (c) (2). In 1958, 1959, and 1960, B (not a member of A's family) also makes contributions to the trust for its designated charitable purpose and he takes deductions for those years. In 1958, the trust commences purposely to divert to A, the creator of the trust, income and corpus which had been set aside for its charitable purpose and a substantial amount of income and corpus is so diverted by the close of the year 1959. For 1958 and subsequent years, the deduction allowed the trust under section 642 (c) is limited by reason of the provisions of section 681 (b) (1). Both A and B are disallowed any deduction for their charitable contributions made during 1960 to the trust. Moreover, the deductions taken by A for contributions to the trust in the years 1958 and 1959 would also be disallowed since A was a party to the prohibited transac-

tion. If the facts and surrounding circumstances indicate that the contribution in 1957 by A was for the purpose of the prohibited transaction, then A's charitable contribution deduction for the year 1957 is also disallowed since the prohibited transaction would then have commenced with the making of the contribution and the deduction allowed the trust under section 642 (c) would then be limited for 1957 by reason of the provisions of section 681 (b) (1). The deductions taken by B for 1958 and 1959 are allowed.

§ 1.681 (c) *Statutory provisions; estates and trusts; limitation on charitable contributions deduction; trusts accumulating income.*

Sec. 681. *Limitation on charitable deduction. * * **

(c) *Accumulated income.* If the amounts permanently set aside, or to be used exclusively for the charitable and other purposes described in section 642 (c) during the taxable year or any prior taxable year and not actually paid out by the end of the taxable year—

(1) Are unreasonable in amount or duration in order to carry out such purposes of the trust;

(2) Are used to a substantial degree for purposes other than those prescribed in section 642 (c); or

(3) Are invested in such a manner as to jeopardize the interests of the religious, charitable, scientific, etc., beneficiaries,

the amount otherwise allowable under section 642 (c) as a deduction shall be limited to the amount actually paid out during the taxable year and shall not exceed 20 percent of the taxable income of the trust (computed without the benefit of section 642 (c) but with the benefit of section 170 (b) (1) (A)). Paragraph (1) shall not apply to income attributable to property of a decedent dying before January 1, 1951, which is transferred under his will to a trust created by such will. In the case of a trust created by the will of a decedent dying on or after January 1, 1951, if income is required to be accumulated pursuant to the mandatory terms of the will creating the trust, paragraph (1) shall apply only to income accumulated during a taxable year of the trust beginning more than 21 years after the date of death of the last life in being designated in the trust instrument.

§ 1.681 (c)-1 *Limitation on charitable contributions deduction of trusts accumulating income—(a) In general.* If income of a trust permanently set aside or to be used by a trust exclusively for charitable or other purposes described in section 642 (c) during the taxable year or any prior taxable year (including taxable years beginning before the effective date of section 681), is not actually paid out by the end of the taxable year, the charitable contributions deduction which would otherwise be allowable to the trust under section 642 (c) for the taxable year is subject to the limitations of section 681 (c), described in paragraph (b) of this section, under the following circumstances:

(1) If accumulations of income are unreasonable. (See paragraph (c) of this section.)

(2) If income accumulated for the charitable or other purposes is used to a substantial degree for purposes other than those described in section 642 (c).

(3) If income accumulated for the charitable or other purposes is invested in such a manner as to jeopardize the interests of the religious, charitable, scientific, etc., beneficiaries.

Whether the foregoing conditions are present in any case must be determined from all relevant facts. Such conditions may result from the use of a chain of two or more organizations, as well as from the use of only one trust. Charitable contributions deductions otherwise allowable under section 170, 545 (b) (2), or 642 (c) for contributions to a trust are not disallowed solely because the trust is subject to the provisions of section 681 (c).

(b) *Extent of limitation.* If a trust is subject to the limitations of section 681 (c) for any taxable year, the charitable deduction which would otherwise be allowable to the trust under section 642 (c) is limited to amounts actually paid out during the taxable year, and is limited to 20 percent of the taxable income of the trust (computed without any charitable deduction), except that an additional deduction of up to 10 percent of such taxable income is allowed for amounts actually paid to a church, an educational organization or a hospital qualifying under section 170 (b) (1) (A).

(c) *Unreasonable accumulations.* Accumulations of income for a charitable or other purpose described in section 642 (c) are unreasonable when more income is accumulated than is needed, or when the duration of the accumulation is longer than is needed, in order to carry out the charitable or other purpose for which the income was set aside. If the gain upon the sale or exchange of property held for the production of investment income, such as dividends, interest, and rents, is not within a reasonable time reinvested in property acquired and held in good faith for the production of investment income, the gain (except the gain upon the sale or exchange of a donated asset to the extent that the gain represents the excess of the fair market value of the asset when acquired by the trust over its substituted basis in the hands of the trust) will be considered income for the purposes of this section. The limitation of section 681 (c) (1) upon trusts unreasonably accumulating income does not apply to a testamentary trust created by a decedent dying before January 1, 1951, except to the extent that its income is attributable to property transferred to the trust by some one other than the decedent. Further, the limitation of section 681 (c) (1) does not apply to income accumulated pursuant to the mandatory terms of testamentary trusts created by decedents dying on or after January 1, 1951, except as to income accumulated during a taxable year beginning more than 21 years after the death of the last life in being designated in the trust instrument.

(d) *Restoration of unlimited deduction.* A trust whose charitable contributions deduction under section 642 (c) has been limited by reason of the provisions of section 681 (c) may file a claim for allowance of unlimited deduction under section 642 (c). This claim shall be filed

with the district director with whom the fiduciary is required to file the income tax return of the trust. The claim must contain or be accompanied by information or evidence showing that the circumstances that brought about the application of section 681 (c) no longer exist, and a written declaration made under the penalties of perjury by the fiduciary (or fiduciaries) that he will not knowingly permit the trust again to violate the terms of such section. Section 681 (c) contemplates that a trust whose charitable, etc., deduction has been limited as prescribed therein shall be subject to such limitation for at least one full taxable year.

§ 1.681 (d) *Statutory provisions; estates and trusts; disallowance of certain charitable contributions deductions; cross reference.*

Sec. 681. *Limitation on charitable deduction. * * **

(d) *Cross reference.* For disallowance of certain charitable, etc., deductions otherwise allowable under section 642 (c), see section 503 (e).

§ 1.681 (d)-1 *Disallowance of certain charitable contributions deductions.* For disallowance of certain charitable contributions deductions otherwise allowable under section 642 (c), see section 503 (e) and the regulations thereunder.

§ 1.682 (a) *Statutory provisions; estates and trusts; income of an estate or trust in case of divorce; inclusion in gross income of wife.*

Sec. 682. *Income of an estate or trust in case of divorce, etc.—(a) Inclusion in gross income of wife.* There shall be included in the gross income of a wife who is divorced or legally separated under a decree of divorce or of separate maintenance (or who is separated from her husband under a written separation agreement) the amount of the income of any trust which such wife is entitled to receive and which, except for this section, would be includible in the gross income of her husband, and such amount shall not, despite any other provision of this subtitle, be includible in the gross income of such husband. This subsection shall not apply to that part of any such income of the trust which the terms of the decree, written separation agreement, or trust instrument fix, in terms of an amount of money or a portion of such income, as a sum which is payable for the support of minor children of such husband. In case such income is less than the amount specified in the decree, agreement, or instrument, for the purpose of applying the preceding sentence, such income, to the extent of such sum payable for such support, shall be considered a payment for such support.

§ 1.682 (a)-1 *Income of trust in case of divorce, etc.—(a) In general.* (1) Section 682 (a) provides rules in certain cases for determining the taxability of income of trusts as between spouses who are divorced, or who are separated under a decree of separate maintenance or a written separation agreement. In such cases, the spouse actually entitled to receive payments from the trust is considered the beneficiary rather than the spouse in discharge of whose obligations the payments are made, except to the extent that the payments are specified to be for the support of the obligor spouse's minor children in the divorce or separate maintenance decree, the sepa-

ration agreement or the governing trust instrument. For convenience, the beneficiary spouse will hereafter in this section and in § 1.682 (b)-1 be referred to as the "wife" and the obligor spouse from whom she is divorced or legally separated as the "husband". (See section 7701 (a) (17).) Thus, under section 682 (a) income of a trust—

(i) Which is paid, credited, or required to be distributed to the wife in a taxable year of the wife, and

(ii) Which, except for the provisions of section 682, would be includible in the gross income of her husband,

is includible in her gross income and is not includible in his gross income.

(2) Section 682 (a) does not apply in any case to which section 71 applies. Although section 682 (a) and section 71 seemingly cover some of the same situations, there are important differences between them. Thus, section 682 (a) applies, for example, to a trust created before the divorce or separation and not in contemplation of it, while section 71 applies only if the creation of the trust or payments by a previously created trust are in discharge of an obligation imposed upon or assumed by the husband (or made specific) under the court order or decree divorcing or legally separating the husband and wife, or a written instrument incident to the divorce status or legal separation status, or a written separation agreement. If section 71 applies, it requires inclusion in the wife's income of the full amount of periodic payments received attributable to property in trust (whether or not out of trust income), while, if section 71 does not apply, section 682 (a) requires amounts paid, credited, or required to be distributed to her to be included only to the extent they are includible in the taxable income of a trust beneficiary under sections 641 through 668.

(3) Section 682 (a) is designed to produce uniformity as between cases in which, without section 682 (a), the income of a so-called alimony trust would be taxable to the husband because of his continuing obligation to support his wife or former wife, and other cases in which the income of a so-called alimony trust is taxable to the wife or former wife because of the termination of the husband's obligation. Furthermore, section 682 (a) taxes trust income to the wife in all cases in which the husband would otherwise be taxed not only because of the discharge of his alimony obligation but also because of his retention of control over the trust income or corpus. Section 682 (a) applies whether the wife is the beneficiary under the terms of the trust instrument or is an assignee of a beneficiary.

(4) The application of section 682 (a) may be illustrated by the following examples, in which it is assumed that both the husband and wife make their income tax returns on a calendar year basis:

Example (1). Upon the marriage of H and W, H irrevocably transfers property in trust to pay the income to W for her life for support, maintenance, and all other expenses. Some years later, W obtains a legal separation from H under an order of court. W, relying upon the income from the trust

payable to her, does not ask for any provision for her support and the decree recites that since W is adequately provided for by the trust, no further provision is being made for her. Under these facts, section 682 (a), rather than section 71, is applicable. Under the provisions of section 682 (a), the income of the trust which becomes payable to W after the order of separation is includible in her income and is deductible by the trust. No part of the income is includible in H's income or deductible by him.

Example (2). H transfers property in trust for the benefit of W, retaining the power to revoke the trust at any time. H, however, promises that if he revokes the trust he will transfer to W property in the value of \$100,000. The transfer in trust and the agreement were not incident to divorce, but some years later W divorces H. The court decree is silent as to alimony and the trust. After the divorce, income of the trust which becomes payable to W is taxable to her, and is not taxable to H or deductible by him. If H later terminates the trust and transfers \$100,000 of property to W, the \$100,000 is not income to W nor deductible by H.

(b) *Alimony trust income designated for support of minor children.* Section 682 (a) does not require the inclusion in the wife's income of trust income which the terms of the divorce or separate maintenance decree, separation agreement, or trust instrument fix in terms of an amount of money or a portion of the income as a sum which is payable for the support of minor children of the husband. The portion of the income which is payable for the support of the minor children is includible in the husband's income. If in such a case trust income fixed in terms of an amount of money is to be paid but a lesser amount becomes payable, the trust income is considered to be payable for the support of the husband's minor children to the extent of the sum which would be payable for their support out of the originally specified amount of trust income. This rule is similar to that provided in the case of periodic payments under section 71. See § 1.71-1.

§ 1.682 (b) *Statutory provisions; estates and trusts; income of an estate or trust in case of divorce; wife considered a beneficiary.*

*Sec. 682. Income of an estate or trust in case of divorce, etc. * * **

(b) *Wife considered a beneficiary.* For purposes of computing the taxable income of the estate or trust and the taxable income of a wife to whom subsection (a) or section 71 applies, such wife shall be considered as the beneficiary specified in this part. A periodic payment under section 71 to any portion of which this part applies shall be included in the gross income of the beneficiary in the taxable year in which under this part such portion is required to be included.

§ 1.682 (b)-1 *Application of trust rules to alimony payments.* (a) For the purpose of the application of sections 641 to 668, inclusive, the wife described in section 682 or section 71 who is entitled to receive payments attributable to property in trust is considered a beneficiary of the trust, whether or not the payments are made for the benefit of the husband in discharge of his obligations.

(b) A periodic payment includible in the wife's gross income under section 71 attributable to property in trust is in-

cluded in full in her gross income in her taxable year in which any part is required to be included under section 652 or 662. Assume, for example, in a case in which both the wife and the trust file income tax returns on the calendar year basis, that an annuity of \$5,000 is to be paid to the wife by the trustee every December 31 (out of trust income if possible and, if not, out of corpus) pursuant to the terms of a divorce decree. Of the \$5,000 distributable on December 31, 1954, \$4,000 is payable out of income and \$1,000 out of corpus. The actual distribution is made in 1955. Although the periodic payment is received by the wife in 1955, since under section 662 the \$4,000 income distributable on December 31, 1954, is to be included in the wife's income for 1954, the \$1,000 payment out of corpus is also to be included in her income for 1954.

§ 1.682 (c) *Statutory provisions; estates and trusts; income of an estate or trust in case of divorce; definitions "husband" and "wife".*

*Sec. 682. Income of an estate or trust in case of divorce, etc. * * **

(c) *Cross reference.* For definitions of "husband" and "wife", as used in this section, see section 7701 (a) (17).

§ 1.682 (c)-1 *Definitions.* For definitions of the terms "husband" and "wife" as used in section 682, see section 7701 (a) (17) and the regulations thereunder.

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 987]

[Docket No. AO-252-A2]

MILK IN CENTRAL MISSISSIPPI MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to proposals to amend the tentative marketing agreement and the order, as amended, regulating the handling of milk in the Central Mississippi marketing area. Interested persons may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington, D. C., not later than the close of business the tenth day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed

amendments to the tentative marketing agreement and to the order, as amended, were formulated, was conducted at Jackson, Mississippi, on December 15-21, 1955 (20 F. R. 8756). The material issues of record related to:

1. Extension of the marketing area.
2. The type of pool to be provided under the order for distributing payments to producers.
3. Qualifications for market-wide pool participation.
4. Order changes to conform with market-wide pooling.
5. Compensatory payment on unpriced milk.
6. Compensatory payment on sales in the marketing area of milk subject to the pricing provisions of another Federal order.
7. A change in the level of the Class I milk price.
8. The use of a supply-demand provision for adjusting the Class I price.
9. A change in the level of the Class II milk price.
10. Rules governing the base-excess provisions.
11. The inclusion of a provision to permit a cooperative association to authorize deductions from payments made by handlers to producer members.
12. A revision of the location differential to producers and handlers.
13. A change in provision concerning adjustment of accounts to include payments due a cooperative association.
14. A revision of the marketing service provision to provide that such services may be performed by a cooperative association under the supervision of the market administrator.
15. A revision of the classification and pricing provision to include a Class III milk category.
16. The inclusion in the order of a provision directing the market administrator to notify handlers each month concerning pricing information required by the order.
17. A proviso, to be included in the provision concerning payments to the producer-settlement fund, which would require interest on overdue payments.
18. Administrative and conforming changes.

Findings and conclusions. By an expedited decision of the Assistant Secretary, issued March 15, 1956 (21 F. R. 1723), action has been taken with respect to Issues No. 2 through 6. Findings and conclusions with respect to the remaining material issues, all of which are based on the evidence introduced at the hearing, and the record thereof, are as follows:

1. A Federal milk marketing order should not be promulgated at this time for the following counties located in the State of Mississippi: Attala, Bolivar, Carroll, Coahoma, Grenada, Holmes, Humphreys, Issaquena, Leflore, Montgomery, Quitman, Sharkey, Sunflower, Tallahatchie, Washington and Yazoo.

Proponents of the order were primarily interested in justifying the inclusion of these counties, referred to at the hearing as the "Delta" area, as part of the Central Mississippi marketing area. The proposal to establish a separate order for the "Delta" area was supported as a

second choice. Relatively little effort was made to justify the promulgation of a separate order for the "Delta" counties. It is concluded that evidence in the record on the character of commerce and marketing conditions in the aforementioned counties does not justify the issuance of a separate order at this time.

Nor should the present marketing area be extended to include the area comprising the aforesaid counties. Regulated handlers do not distribute milk in Attala, Carroll, Coahoma, Choctaw, Grenada, Issaquena, Montgomery, Quitman, Tallahatchie and Winston counties. Five regulated handlers distribute in the remaining ten counties. In Bolivar, Humphreys, Leake, Sharkey, Sunflower and Yazoo counties, two regulated handlers distribute seven percent or less of their Class I sales in all those counties combined. Two regulated handlers distribute in Holmes county. Testimony is lacking with respect to the extent of distribution by one of such handlers. The other regulated handler estimated that approximately ten percent of his Class I sales are distributed in Holmes county. The remaining regulated handler distributes approximately 39 and 7 percent of his Class I sales in Washington county (where the plant is located), and in Leflore county, respectively. The regulated plant located in Washington county is a considerable distance from the marketing area. It qualifies as a regulated plant mainly from the sales of a special type of milk primarily in the city of Jackson. The distribution of milk in the marketing area by this plant represents only a small portion of the total sales in the marketing area by regulated handlers.

Altogether, there are only a few regulated handlers involved in competition with unregulated handlers in these counties; and regulated handlers, with plants located in the marketing area, compete scarcely at all with local handlers in this area. The territory between this area and the present marketing area is predominantly rural. The trade in this area has little relation to the trade in the present marketing area. For this reason, extension of this regulation to this area, at this time, would not be justified.

Regulated handlers do not distribute in Wilkinson county. No evidence was presented at the hearing to justify the proposal that this county should be included in the marketing area. It is concluded that the marketing area should not be extended to include Wilkinson county at this time.

No testimony was submitted by proponents concerning the distribution of fluid milk by regulated handlers in Pike county. No testimony was submitted which would indicate the extent and significance of competition for fluid sales among regulated and unregulated handlers in Amite county. It is concluded that these counties should not be included in the marketing area.

The marketing area should be extended to include Lauderdale, Neshoba, Newton and Clarke counties.

Producers proposed that the marketing area be extended to include these four counties. This territory is located

approximately northeast of the present marketing area. Regulated handlers are in substantial competition with unregulated handlers in the area recommended for inclusion. Plants located at Meridian and Newton (in Lauderdale and Newton counties, respectively) distribute fluid milk in the present marketing area and are regulated. In Newton county, regulated handlers distribute most of the Class I sales to consumers. In Lauderdale and Neshoba counties, regulated handlers distribute about 50 percent of the Class I sales in that area. Regulated handlers have experienced severe price competition from unregulated handlers. All milk sold in Clarke county is distributed by regulated handlers. No additional regulation would be involved by including this county in the marketing area. It is concluded that the marketing area should be extended to include Lauderdale, Neshoba, Newton and Clarke counties.

The marketing area should also be extended to include the counties of Adams, Jefferson, Lincoln, Franklin and the remainder of Lawrence county (Beats 1, 2 and 3).

Regulated handlers distribute fluid milk in these counties. The largest concentration of such distribution occurs in Adams and Lincoln counties where one regulated handler, among others, disposes of approximately 16 percent of his Class I sales in that area. Another regulated handler distributes approximately 12 percent of his Class I sales in an area which includes Jefferson, Lawrence and Lincoln counties. It is recommended that Franklin county be included in the marketing area, in order to establish a contiguous area, and to assure handlers, who may become regulated as a result of the area extension cited above, that their costs for milk distributed in Franklin county will be on a competitive basis.

It was also proposed that Beat 5 of Forrest county be deleted from the present marketing area. By a decision issued by the Acting Secretary of Agriculture on September 3, 1954, this area was included in the Central Mississippi marketing area. Official notice is hereby taken of said decision (19 F. R. 5820). Beat 5 is part of the regularly established trade area of regulated handlers located in Forrest county. It is located only 14 miles from the plant of a regulated handler. Marketing conditions in the area proposed for deletion have changed little if at all since the hearing held in March 1954. It is concluded that Beat 5 of Forrest county should not be deleted from the marketing area at this time.

7. The level of the Class I milk price should not be changed at this time.

The Class I milk price under the order is computed by adding to a basic formula price for the preceding month, seasonal differentials of \$2.25 during each of the months of July through February and \$1.85 during all other months. The order does not provide for an adjustment of the Class I price in response to changes in supply-sales relationships. During the year 1955 the average monthly Class I price was \$5.62 f. o. b. market for milk of 4.0 percent butterfat content.

Three proposals were submitted by regulated handlers. Each proposal would reduce the level of the Class I milk price.

One handler proposed that the Class I differentials be reduced to \$2.08 during each of the months of September through February and \$1.68 during the remaining months of the year. A proviso included as part of this proposal would prohibit the Class I price under Order No. 87 from exceeding the Class I price established by the Memphis, Tennessee, milk marketing Order No. 18 by more than 40 cents per hundredweight. In establishing a Class I price for Central Mississippi pursuant to this proposal, the proponent would not include any adjustment resulting from the action of the Memphis supply-demand provision. If this proposal had been in effect in 1955 it would have reduced the average monthly Class I price by approximately 26 cents per hundredweight.

One of the effects of this proposal would be to change the months during which the respective Class I differentials apply. No showing was made at the hearing by proponents as to why the lower differential should apply in July and August except to coincide with the change in seasonal differentials under the Memphis order. During the 1955 production year, the months of highest seasonal production under Order No. 87 were March through June which coincides with the present seasonal differentials for Class I milk. It is concluded that the months for which the seasonal differentials apply should not be changed at this time.

Another proposal would delete the present seasonal differentials and substitute a differential of \$1.75. This differential would apply in all months of the year. If this differential had been used in computing the Central Mississippi Class I price during the year 1955, the average Class I milk price for the year would have been reduced approximately 37 cents. While daily average production per producer has increased since the inception of the order producer numbers have decreased. The proponent testified that his plan has experienced an increase of three percent more milk although the number of producers shipping to the plant has decreased eight percent. This tendency is also reflected in market-wide statistics. Since the inception of the order in November 1955, average daily production per producer increased while producer numbers decreased.

Official notice is hereby taken of the Central Mississippi market administrator's statistical reports of December 1955 through March 1956. The relationship of producer receipts expressed as a percentage of Class I sales for the period November 1954-February 1955, compared with the same period in 1955-56, has increased from 104 to 111. This change does not signify that supplies have become excessive.

Another handler proposal would base the Central Mississippi Class I price on the Class I price established under the Memphis, Tennessee, milk marketing Order No. 18, plus 30 cents per hundred-

weight. This proposal would include as part of the Central Mississippi price any increase or decrease in the Class I price resulting from the operation of the supply-demand provisions under the Memphis order. A rigid 30 cents margin between the Memphis and Central Mississippi markets without regard for local supply-sales conditions would be undesirable in that it might preclude economic shifts in production based on comparative advantage.

The price changes proposed were generally justified on the alleged necessity to align Central Mississippi Class I prices with those established under the Memphis order only by the amount of the transportation cost between the two markets. Such cost was estimated to be approximately 30-40 cents per hundredweight. The production areas of the Memphis and Central Mississippi orders overlap in the northern portion of the State of Mississippi. At the same time, the production area for Order No. 87 also overlaps with that of the New Orleans marketing order in the southern part of the State. There is no evidence that the difference in the Class I prices under the Memphis and Central Mississippi orders has resulted in an uneconomic shifting of producers between the two markets. In the portion of the production area which overlaps with that of the New Orleans market there has been some shifting of producers to the New Orleans market. Such shifting is of no particular significance at the present time.

Handlers regulated under the Central Mississippi order complained of a disadvantageous position in competing with Memphis handlers outside the Central Mississippi marketing area, particularly in northern Mississippi. Official notice is taken of a decision on proposed amendments to the Memphis order issued by the Assistant Secretary of Agriculture, on July 13, 1956 (21 F. R. 5419). In this decision it is proposed that the annual average Class I milk price be increased approximately 14 cents. When this is accomplished, the situation complained of by Central Mississippi handlers will be relieved. It must be pointed out, however, that class prices are established primarily to supply the marketing area with an adequate supply of pure and wholesome milk. This has been accomplished at the present price level. The present price level was originally established to take into consideration the relationship of the Central Mississippi market with the New Orleans market as well as its relationship with the Memphis market. The price relationship which has been maintained among the three markets has caused no uneconomic shifts of milk supplies. It is concluded that the Class I price level should not be changed at this time.

Producers proposed that the price for Class I milk, which is received at a fluid milk plant directly from farms on bulk tank pickup routes, or bulk tank shipments received at distributing plants from supply plants, should be 30 cents per hundredweight above the regularly established Class I milk price. While the proposal included bulk farm tanks,

the evidence presented at the hearing primarily concerned receipts at distributing plants of milk in bulk tanks from supply plants.

This proposal was offered by the major milk producers' association in the area to offset a practice adopted by some handlers in the market. Such handlers closed down their receiving facilities for direct-shipped milk in producers' cans. Needed supplies were obtained in bulk tank, generally from another producer's cooperative supplying the market. Handlers operating in this manner, paying only the Class I price for milk, are relieved of the cost of receiving milk from producers in cans. The seller absorbs the cost of receiving, cooling and transporting such milk to the handler's plant. The intent of the producers' proposal would be to equalize the cost of milk to handlers whether it is received in cans or in bulk as described.

Effective April 1, 1956, a market-wide pool was provided for the Central Mississippi market. This action requires all regulated handlers (including cooperatives operating as handlers) to account to the pool at the class prices for Class I sales. The returns from Class I sales are then equalized among all producers serving the market. If the members of the cooperative elect to accept a lower blend price by absorbing the hauling and handling costs on such milk, the order does not prevent such action. Since the returns from Class I sales are equalized among all producers, as defined in the order, under a market-wide pool, and since it is recommended elsewhere herein that the Class II price be increased, an operating cooperative may not be as easily induced as under an individual-handler pool to absorb hauling and handling costs in supplying proprietary handlers with bulk milk. It should be noted that the situation described has occurred in other Federal order markets without the necessity of establishing a differential as proposed. It is concluded that the adoption of the proposal to add 30 cents per hundredweight to the Class I price for milk received at a fluid milk plant in bulk tanks would not be appropriate at this time.

8. The use of a supply-demand adjuster in conjunction with the computation of the Class I price should not be adopted at this time.

Producers proposed that the order provide for a supply-demand adjuster to increase or decrease the Class I milk price depending on the relationship of supplies to sales.

The order under which the Central Mississippi milk marketing area operates became effective in November 1954. At the time of the hearing held December 1955, the order had been in operation just over a year. Data concerning supply-sales relationships are available for this period only. This is a short period on which to base the operation of a supply-demand adjuster. For this reason a supply-demand adjuster should not be established at this time. The present method of computing the Class I milk price should be terminated 18 months after the effective date of this amendment. Before such termination

is accomplished, however, a new hearing should be convened primarily for the purpose of considering the level of the Class I milk price, including an appropriate supply-demand adjustor.

9. The Class II milk price should be increased by adding a differential of 10 cents in computing the Class II price during the months of March through June and 20 cents during all other months.

Producers proposed that the method of computing the price for Class II milk should be changed. At the present time, the price for Class II milk is determined by computing an average of prices reported to the market administrator for milk of 4.0 percent butterfat content at five Mississippi milk manufacturing plants. During the year 1955, the average monthly Class II price under Order No. 87 was \$2.96 per hundredweight for milk of 4.0 percent butterfat content.

Producers proposed that the present method of computing the Class II milk price should be retained for each of the months of March through June. For all other months, it was proposed that the Class II milk price be the local milk manufacturing plant price pursuant to § 587.50 (c) of the present order, or the butter-powder portion of the present basic formula price less 20 cents, whichever is higher.

In the eight months of the order preceding the hearing the proposed change would have increased the Class II price an average of 32 cents per hundredweight. The average monthly Class II price on an annual basis would have been increased approximately 20 cents.

Producers based their proposal on evidence that handlers who diverted milk during the period March through June 1955 received a premium of 20 cents per hundredweight over the New Orleans Class II price. One Central Mississippi handler received premiums ranging from 10 to 20 cents per hundredweight on surplus milk sold to two manufacturing plants in Louisiana. A producer representative testified that at least one plant in the Central Mississippi area is willing to pay a 35 cent premium for Grade A milk procured for manufacturing purposes. Producers contend that since such milk was diverted, and not received or otherwise handled by Central Mississippi handlers, the premiums received should have accrued to producers. The major milk producers' association in the Central Mississippi market can obtain outlets for Class II milk at the proposed price level. If a regulated handler chooses to keep milk, which might otherwise be diverted, such milk is worth at least what can be obtained for it by diversion.

Unless the Class II price is increased under the market-wide pool, handlers might be encouraged to accept increased production in order to obtain whatever premium accrues to diverted milk. A higher Class II price under the market-wide pool already established as the result of this hearing would assist in shifting milk where needed among handlers regulated by Order No. 87. The present Class II price level has encouraged some handlers in the Central Mississippi area to develop increasing supplies of Grade A

milk for the purpose of utilizing such milk in Class II products. Under an individual-handler pool this is a choice which a handler may make on his own initiative knowing that his blend price will be influenced accordingly. Under a market-wide pool, however, with a market-wide uniform price, a Class II price level which encouraged handlers to procure Grade A supplies for Class II use needlessly dissipates returns to producers.

It is concluded that the Class II price level recommended will reflect the additional value accruing to surplus Grade A milk in the Central Mississippi marketing area as established by the hearing record. The Class II price level recommended will also assure producers that returns computed under the recently established market-wide pool will not be needlessly reduced.

10. The base provisions of the order should be amended to clarify them and liberalize base transfers. The order presently provides that the entire base of a producer may be transferred to another person only under conditions involving death, retirement or entry into military service, and joint holdings which are terminated.

A cooperative association of milk producers proposed that the order be amended to allow a producer to transfer his entire base to another person or to the producer association. This association also proposed that all bases of members be credited in one lump sum to the cooperative association.

The primary objective of the base-excess plan in the order is to provide a means whereby each producer may share in the net proceeds from milk on the basis of his individual production record during the normal short period of production. If the base of member producers were credited to the association or transferred to the association, the base-excess plan would not function uniformly in encouraging level production and in the determination of plant prices for members and non-members.

The record indicates that the base rules on transfer of bases should be liberalized. Producers point out that many occasions have arisen in the past when a producer had to dispose of his herd on short notice due to death in the family or bad health of the operator. An amendment to the order to provide that a producer may transfer his earned base to another person by notifying the market administrator in writing on or before the last day of the month in which the transfer is to be effective would, in such hardship cases, prevent any financial loss to the producer in disposing of his herd.

Present provisions of the order provide that a daily base is computed by dividing all deliveries of a producer made to a handler by the number of days from the first day shipment was made on or after September 1st through January 31st, but not less than 120 days. A cooperative association of milk producers proposed that the daily base be computed by dividing deliveries to a handler by the total number of days in the base forming period. This proposal would unduly restrict the entrance on the market of new producers. New producers would have

to enter the market during the month of August or on the first day of September to avoid being penalized in the formation of their base. The present provision of the order provides reasonable protection to producers supplying the market and also allows new producers to enter the market on an equitable basis.

A cooperative association of producers proposed a change in the computation of a producer's delivered base. The present order provides that a producer's delivered base be computed by multiplying the base of each producer by the number of days such producer's milk was received by a handler during the month. The record indicates that there is considerable producer milk delivered to handlers on an every-other-day basis or at infrequent intervals. This provision should be changed to provide that a producer's delivered base be computed by multiplying the daily base by the number of days' production delivered by a producer to such handlers.

11. The proposal to allow a cooperative association to authorized deductions from payments made by handlers to producers should not be adopted.

The Mississippi Milk Producers Association proposed that the payment provisions of the order be amended to permit a cooperative association to authorize proper deductions in writing from handlers' payments to producers. The order now provides that each handler may withhold proper deductions authorized by the producer to whom payment is made pursuant to the order.

The association justified the proposal on the basis that a provision of this nature would permit a cooperative to authorize deductions, which would cover the costs of diverting milk. In this connection it should be pointed out that this proposal was submitted in addition to a proposal which would permit diversions by cooperatives only. With the market-wide pool made effective April 1, 1956, diversion by handlers was authorized.

The payment provisions of the order now authorize a cooperative association to receive payment from handlers for its members. This would permit the cooperative, if it chose, to receive payments from handlers and reblend to its members, taking into account the transactions resulting from diversions handled by the cooperative. There is no need at this time to include in the order any additional provisions which would authorize a cooperative to deduct costs involved in diverting milk. It is concluded therefore that the proposal should not be adopted.

12. The basis for determining location adjustments to handlers and producers should be changed.

Order No. 87 presently provides a location adjustment differential to handlers in the amount of 10 cents per hundredweight of milk received from producers at a pool plant located outside the marketing area and 50 miles or more from the State Capitol Building, Jackson, Mississippi, when the milk is moved to another pool plant and assigned to Class I or otherwise classified as Class I milk at the plant first receiving the milk. A location adjustment

differential of 10 cents per hundred-weight applies to all producer milk received at a pool plant located outside the marketing area and 50 miles or more from the State Capitol Building.

There were two proposals offered at the hearing which would alter the present pattern of location differentials. A cooperative association proposed that the location differentials to handlers and producers be made to apply at pool plants located 60 miles or more from the edge of the marketing area. This proposal did not offer to change the present single rate of 10 cents per hundredweight.

A regulated handler proposed that location differentials to handlers and producers be allowed at pool plants located 40 miles or more from the State Capitol Building irrespective of the plant's location with respect to the marketing area. It was further proposed that the amount of the adjustment be raised from 10 to 20 cents per hundredweight.

Elsewhere in this decision certain changes in the Central Mississippi milk marketing area are recommended which would increase the size of the marketing area. The major change in this regard is the proposed addition of the Meridian, Mississippi, area to the marketing area. The marketing area would thus include three important urban areas. These are Jackson, Meridian, and Hattiesburg, Mississippi. These cities are almost equidistant and approximately 100 miles from each other. In addition, the inclusion of Adams county will establish the city of Natchez as part of the marketing area.

Location differentials should be designed so as to reflect costs of moving milk from production areas to the principal distribution areas. In a milk marketing area built around a single metropolitan area the problem is more easily resolved in an area like Central Mississippi which embraces several sales and distribution areas.

It is recommended that the points from which location differentials shall be calculated be changed from the present point (State Capitol, Jackson, Mississippi) to locations which will be equitable from the standpoint of milk moved into the Meridian and Hattiesburg areas as well as the Jackson area. This may be achieved by basing location differentials for any plant on its distance from Jackson, Meridian, or Hattiesburg, whichever is closest. In order to assure that handlers in the southwestern portion of the marketing area, notably Natchez and Brookhaven, will be on a competitive basis with other regulated handlers in the marketing area, it is recommended that the city of Meadville, in Franklin County, be included as a basing point for the purpose of determining location adjustments. This would make the location differential for any plant contingent upon its location in relation to the nearest major sales area in the marketing area. It further would give handlers in each major sales area the same opportunity to offset part or all of the cost of moving milk from a supply plant to the area in which the milk is to be processed or

sold. At the present time, with the location differential based on distances from Jackson, handlers do not have the same opportunity to receive location credits on milk when it is moved comparable distances. Location differentials based on distances from Jackson, Meridian, Meadville or Hattiesburg would provide location differentials more uniformly applicable to all handlers in the market.

A market-wide pool was made effective for the Central Mississippi market on April 1, 1956. In order to allow for the cost of moving Class I milk from distant plants which may become eligible under the new pooling arrangement as regular sources of supply for the Central Mississippi market, it is necessary to establish the Class I price for milk delivered to plants in the marketing area, and then provide a schedule of deductions from the Class I milk price as location differentials or adjustments. The type of location adjustment provision included herein is comparable to those contained in Federal orders throughout the nation and in territory surrounding the Central Mississippi area. The terrain and conditions under which milk might be transported to the Central Mississippi area are such that the rates provided herein are reasonable. The recommended rate of 1.5 cents for every 10 miles beyond the base zone will permit handlers to move milk into the market by an efficient means.

13. The proposal to revise the adjustment of accounts provision so that the market administrator, as a result of audit, may notify handlers with respect to money due producers or a cooperative association was automatically made as a conforming change in the amended order effective April 1, 1956 and need not be dealt with further in this decision.

14. There should be no change in the marketing service assessment collectible by a cooperative association or in the method used in collecting the membership dues of cooperative members.

A cooperative association of producers proposed amendments to the order which would limit the amount of membership dues collectible by a cooperative to the seven cents per hundredweight specified in the order and provide that the market administrator would act as collecting agent for the membership dues of a cooperative association of milk producers.

The marketing service assessment provided in the order is on non-member milk and is limited in use by the market administrator to check testing and weighing of non-member producer milk and to providing non-members with marketing information on milk. A cooperative association of producers may collect the amount specified in their membership contract and may provide other services for their members than those specified for non-members. Any restriction on the amount of cooperative association dues would necessarily restrict the activities of a cooperative in marketing their producer milk.

The record fails to substantiate any need for a change in the order to provide that the market administrator collect dues for a cooperative association. The

collection of membership dues is usually performed by cooperative associations operating in Federal order markets, and is considered by the Department to be an appropriate arrangement. The cooperative acts as the agent for its members, and operates under a membership contract with them. The collection of dues by the cooperative may be considered a routine procedure in return for the considerations specified in such contract. The proposal, if effectuated would also duplicate work involved in collection and transmission of these funds and cause delay in the cooperative association receiving the dues collected from members.

15. The provisions of the order relative to the classification of milk should not be revised.

A handler proposed to add a new classification (Class III) for any milk not utilized in Class I or in the production of Class II products, and which is transferred or diverted by a handler in bulk tanks or producer cans. It was also proposed that the price for such Class III milk should be the per hundred-weight price for Class II milk as presently computed pursuant to the order, less 20 cents.

The handler stated that the purpose of this proposal was to establish a means of recovering, wholly or partially, the costs involved in receiving, cooling and handling milk which is subsequently not used in Class I, nor manufactured into Class II products in his plant. The present practice of the handler is to transfer such milk to any of a number of milk manufacturing plants within reach of the Central Mississippi marketing area.

An adequate market supply of milk for fluid use includes some supply in excess of daily Class I usage. The order provides a Class II classification for such reserve supplies. It is not the purpose of a Federal milk marketing order to encourage the production of Class II milk beyond what is necessary to assure the market of adequate supplies of Class I milk.

The proposal to establish a new classification (Class III), and price such Grade A milk at a level below the current price for manufacturing milk in order to recover costs involved in receiving, cooling and shipping such milk to a manufacturing plant, would encourage handlers to expand Class II operations without regard to the needs of the market for Class I usage. It is concluded that the present classification provisions of the order should be maintained.

16. There should be no change in the present method of handling producer payrolls under the order. A cooperative association of producers proposed to amend the order to provide that handlers submit payrolls containing individual producer weights, tests and deductions to the market administrator's office by the 6th of each month. The market administrator would make extensions on the payroll after computing the uniform price(s) and return the completed payroll to each handler on the 10th of each month.

The present order provisions require handlers to submit a report of their receipts and utilization of milk and milk products by the 6th of each month. The market administrator is required to notify handlers of the minimum uniform prices on the 10th of each month. Handlers then are required to pay producers by the 15th of each month and furnish the market administrator's office a copy of the producer payroll by the 20th of each month.

Historically the handlers in the Central Mississippi marketing area have computed the producer payroll and paid producers. Handlers have the trained personnel and basic records readily available for computing the payroll. To furnish the market administrator a copy of the basic payroll on the 6th of the month would impose on the handler an added burden of bookkeeping. The market administrator would have added work in computing the payroll during the period of computing pool prices which could cause an added expense.

The present system of handling producer payrolls has operated satisfactorily, and should not be changed.

17. The proposal to add interest charges to overdue payments to the producer-settlement fund should not be adopted at this time.

In establishing a market-wide pool effective April 1, 1956, a section was included providing for a producer-settlement fund to effectuate the equalizing of returns from Class I sales among producers. A section was also included in the order as a conforming change specifying the payments to be made to the producer-settlement fund. No testimony appears in the record, however, to support the producers' proposal to include a proviso to charge interest on payments to the producer-settlement fund which are overdue. For this reason, the proviso should not be included in the order at this time.

Rulings on proposed findings and conclusions. A number of briefs were filed which contained statement of fact, proposed findings and conclusions and arguments with respect to the provisions of the proposed amendments. Every point covered in the briefs was carefully considered along with the evidence in the record in making the findings and reaching the conclusions hereinbefore set forth. To the extent that the findings and conclusions proposed in the briefs are inconsistent with the findings and conclusions contained herein, the request to make such findings or to reach such conclusions is denied on the basis of the facts found and stated in connection with the conclusions in the recommended decision.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for milk

in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order, amending the order, as amended. The following order amending the order, as amended, regulating the handling of milk in the Central Mississippi marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be identical with those contained in the order, as amended, and as hereby proposed to be further amended.

1. Delete § 987.6 and substitute therefor the following:

§ 987.6 *Central Mississippi marketing area.* "Central Mississippi marketing area" hereinafter called the "marketing area" means all the territory within the following counties: Adams, Claiborne, Clarke, Copiah, Covington, Forrest, Franklin, Hinds, Jasper, Jefferson, Jefferson Davis, Jones, Lamar (except Beat 2 thereof), Lauderdale, Lawrence, Lincoln, Madison, Marion, Neshoba, Newton, Perry, Rankin, Scott, Simpson, Smith, Walthall, Warren and Wayne, all in the State of Mississippi.

2. Delete § 987.51 (a) and substitute the following:

(a) *Class I milk price.* During an 18-month period following the effective date of this subpart, the minimum price per hundredweight for Class I milk for the month shall be the basic formula price for the preceding month, plus \$1.85 during the months of March, April, May and June, and plus \$2.25 during all other months.

3. Delete § 987.51 (b) and substitute the following:

(b) *Class II milk price.* The price per hundredweight for Class II milk shall be the price determined pursuant to § 987.50 (c) plus 10 cents during each of the months of March, April, May and June plus 20 cents during all other months.

4. Amend § 987.81 by deleting all of the section following the colon and inserting in lieu thereof the following, "multiply the daily base of such producer by the number of days production delivered by such producer to handlers during the month."

5. Amend § 987.82 (b) by deleting the entire paragraph and inserting in lieu thereof the following:

(b) An entire base shall be transferred from a person holding such base to any other person, effective as of the end of any month during which an application for such transfer is received by the market administrator, such application to be on forms approved by the market administrator and signed by the baseholder or his heirs, and by the person to whom such base is to be transferred: *Provided*, That if a base is held jointly, the entire base shall be transferable only upon the receipt of such application signed by all joint holders, or their heirs, and by the person to whom such base is to be transferred.

6. Amend § 987.53 to read as follows:

§ 987.53 *Location differentials to handlers.* For that milk which is received from producers at a pool plant located 50 miles or more from the city limits of Hattiesburg, Jackson, Meadville or Meridian, Mississippi, whichever is closest by the shortest hard-surfaced highway distance as determined by the market administrator, and which is transferred in the form of fluid milk products to another pool plant and assigned to Class I pursuant to the proviso of this section, or otherwise classified as Class I milk, the price specified in § 987.51 (a) shall be reduced at the rate set forth in the following schedule:

Distance from the city limits of Hattiesburg, Jackson, Meadville or Meridian, Mississippi (miles):	Rates per hundredweight (cents)
50 but not more than 60.....	10.0
For each additional 10 miles or fraction thereof, an additional.....	1.5

Provided: That, for the purposes of calculating such location differential, products so designated as Class I milk which are transferred between pool plants shall be assigned to any remainder of Class II milk in the transferee-plant after making the calculations prescribed in § 987.46 (a) (1), (2), and (3), and the comparable steps in § 987.46 (b) for such plant, and after deducting from such remainder an amount equal to 0.05 times the skim milk and butterfat contained in the producer milk received at the transferee-plant, such assignment to transferor-plants to be made first to plants which the location differential is applicable.

7. Amend § 987.92 to read as follows:

§ 987.92 *Location differential to producers.* In making payments to producers pursuant to § 987.90, the applicable uniform prices to be paid for producer milk received at a pool plant located 50 miles or more from the city limits of Hattiesburg, Jackson, Meadville, or Meridian, Mississippi, whichever is closest by the shortest hard-surfaced highway distance, as determined by the market administrator, shall be reduced at the rate set forth in the following schedule:

Distance from the city limits of Hattiesburg, Jackson, Meadville or Meridian, Mississippi (miles):	Rate per hundredweight (cents)
50 but not more than 60.....	10.0
For each additional 10 miles or fraction thereof, an additional.....	1.5

Issued at Washington, D. C., this 8th day of August 1956.

[SEAL] ROY W. LENNARTSON,
Deputy Administrator.

[F. R. Doc. 56-6500; Filed, August 10, 1956;
8:51 a. m.]

DEPARTMENT OF COMMERCE

Civil Aeronautics Administration

[14 CFR Part 418]

AVIATION SAFETY REPRESENTATIVES

PILOT EXAMINERS

Notice is hereby given that the Administrator of Civil Aeronautics contemplates the adoption of the following revision to Part 418 of the Regulations of the Administrator. Section 418.21 (a) would be revised by consolidating the current designations "Private Pilot Examiner" and "Commercial Pilot Examiner" into the single designation "Pilot Examiner". The experience standards for the new designation would be comparable with current requirements for a commercial examiner designation. The new designation would contain the privileges of both current designations.

All interested persons who desire to submit comments and suggestions for consideration by the Administrator of Civil Aeronautics in connection with the proposed rules should send them to the Civil Aeronautics Administration, Washington 25, D. C., within 30 days after publication of this notice in the FEDERAL REGISTER.

§ 418.21 *Pilot examiners*—(a) *Types*. The types of pilot examiner designations issued by the CAA are: Pilot Examiner, Instrument Rating Examiner, and Airline Transport Pilot Examiner.

(Sec. 310, 64 Stat. 1079; 49 U. S. C. 460)

[SEAL] S. A. KEMP,
Acting Administrator
of Civil Aeronautics.

[F. R. Doc. 56-6473; Filed, Aug. 10, 1956;
8:45 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 120]

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

NOTICE OF PROPOSAL TO ESTABLISH TOLERANCES FOR RESIDUES OF INORGANIC BROMIDES IN OR ON CERTAIN RAW AGRICULTURAL COMMODITIES AFTER FUMIGATION WITH ETHYLENE DIBROMIDE

The U. S. Department of Agriculture has requested that action be taken to permit the use of ethylene dibromide as a fumigant in the following programs:

1. The current Mediterranean Fruit Fly Control Program in Florida.
2. The Quarantine Program to prevent entry into the United States of several species of fruit fly from outside the continental United States.

In the Mediterranean Fruit Fly Program, ethylene dibromide is used as a fumigant at the rate of 8 ounces per 1,000 cubic feet for 2 hours at temperatures of 77° F. and above or at 10 ounces per 1,000 cubic feet for 2 hours at temperatures of 76° F. and below. The crops involved in this program are citrus, pineapples, guavas, papayas, mangoes, cucumbers, and bell peppers.

In the Quarantine Program, ethylene dibromide is used at generally the same dose on pineapples, citrus, mangoes, bitter melon, cucumbers, Cavendish bananas, papayas, Zucchini squash, and string beans. Fresh shipment treatments are made in Puerto Rico, Cuba, Mexico, and Hawaii. Treatments may be made when the commodities arrive at ports of entry into the United States.

The U. S. Department of Agriculture states that the residues of inorganic bromides resulting from the treatment in either program do not exceed 10 parts per million of inorganic bromide. These residues on the crops involved will not constitute a hazard to man.

By virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408 (b) and (c), 68 Stat. 514; 21 U. S. C. 346a (b) and (c)) and delegated to the Commissioner of Food and Drugs by the Secretary (21 CFR 120.29 (a)), it is proposed by the Commissioner of Food and Drugs on his own initiative that the regulations for tolerances for pesticide chemicals in or on raw agricultural commodities (21 CFR Part 120; 21 F. R. 5620) be amended by changing § 120.146 to read as follows:

§ 120.146 *Tolerances for residues of inorganic bromides resulting from fumigation with ethylene dibromide*. (a) Tolerances of 50 parts per million are established for residues of inorganic bromides (calculated as Br) in or on the

following grains that have been fumigated with ethylene dibromide: Barley, corn, oats, popcorn, rice, rye, sorghum (milo), wheat.

(b) Tolerances of 10 parts per million are established for residues of inorganic bromides (calculated as Br) in or on the following commodities that have been fumigated with ethylene dibromide in accordance with the Mediterranean Fruit Fly Control Program or the Quarantine Program of the U. S. Department of Agriculture: Beans (string), bitter melon (*Mormodica charantia*), Cavendish bananas, citrus fruits, cucumbers, guavas, mangoes, papayas, peppers (bell), pineapples, Zucchini squash.

A person who has registered or who has submitted an application for the registration of an economic poison under the Federal Insecticide, Fungicide, and Rodenticide Act containing ethylene dibromide, may request, within 30 days from publication of this proposal, that the proposal be referred to an advisory committee in accordance with section 408 (e) of the Federal Food, Drug, and Cosmetic Act.

Any interested person is invited at any time prior to the thirtieth day from the date of publication of this notice in the FEDERAL REGISTER to file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D. C., written comments on the proposal. Comments may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Dated: August 6, 1956.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F. R. Doc. 56-6476; Filed, Aug. 10, 1956;
8:45 a. m.]

NOTICES

DEPARTMENT OF DEFENSE

Office of the Secretary of the Air Force

HERMAN W. BEVIS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

Statement of changes in financial interests required by section 302 (c) of Executive Order 10847.

1. Name of Appointee: Herman W. Bevis.
2. Employing Agency: Office, Secretary of the Air Force.
3. Date of Appointment: September 30, 1955.
4. Title of Position: Consultant.
5. Name of Private Employer: Price Waterhouse & Company, New York, N. Y.
6. Changes in names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or di-

rector, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

- A. Deletions: None.
- B. Additions: General Time Corporation.

This supplements my statement of financial interests reported in the FEDERAL REGISTER of May 15, 1956.

This statement is made as of August 1, 1956.

Dated: July 24, 1956.

HERMAN W. BEVIS.

[F. R. Doc. 56-6527; Filed, Aug. 9, 1956;
1:36 p. m.]

RALPH E. CROSS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

State of changes in financial interests required by section 302 (c) of Executive Order 10647.

1. Name of Appointee: Ralph E. Cross.
2. Employing Agency: Office, Secretary of the Air Force.
3. Date of Appointment: February 1, 1956.
4. Title of Position: Consultant.
5. Name of Private Employer: The Cross Company, Detroit, Mich.
6. Changes in names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

A. Deletions: Columbia Gas System, Texas Eastern Transmission Corp., Kuhlman Electric, Chemical Fund, Public Service Electric & Gas, S. D. Warren, New England Electric, American Spring of Holly, Wellington Fund, Banco, Inc., Fidelity Fund, Carolina Power and Light, Hoskins Manufacturing Co.

B. Additions: Yellow Manufacturing Acceptance Corp., City of Los Angeles Sewer Bonds, New York State Thruway Bonds, Portland Housing Authority (Maine), Wayne County Metropolitan Water Supply (Michigan), Monsanto Chemical, Gerber Products Company, Standard Oil of Indiana, Eastman Kodak Company, Lily Tulp Cup Corporation, Trane Company, Grosse Pointe Pub. Schools Bond (Michigan), St. Louis County Public Improvement (Missouri), Fidelity-Phoenix Fire Ins. Company.

This supplements my statement of financial interests reported in the FEDERAL REGISTER of February 29, 1956, page 1328.

This statement is made as of August 1, 1956.

Dated: August 1, 1956.

RALPH E. CROSS.

[F. R. Doc. 56-6528; Filed, Aug. 9, 1956; 1:36 p. m.]

JOHN B. INGLIS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

Statement of changes in financial interests required by section 302 (c) of Executive Order 10647.

1. Name of Appointee: John B. Inglis.
2. Employing Agency: Office, Secretary of the Air Force.
3. Date of Appointment: September 30, 1955.
4. Title of Position: Consultant.
5. Name of Private Employer: Price Waterhouse & Company, New York, N. Y.
6. Changes in names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns

or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

A. Deletions: None.
B. Additions: None.

This supplements my statement of financial interests reported in the FEDERAL REGISTER of May 15, 1956, page 3200.

This statement is made as of August 1, 1956.

Dated: July 24, 1956.

JOHN B. INGLIS.

[F. R. Doc. 56-6529; Filed, Aug. 9, 1956; 1:36 p. m.]

JOHN W. McEACHREN

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

Statement of changes in financial interests required by section 302 (c) of Executive Order 10647.

1. Name of Appointee: John W. McEachren.
2. Employing Agency: Office, Secretary of the Air Force.
3. Date of Appointment: September 30, 1955.
4. Title of Position: Consultant.
5. Name of Private Employer: Touche, Niven, Bailey and Smart, Detroit, Mich.
6. Changes in names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

A. Deletions: None.
B. Additions: None.

This supplements my statement of financial interests reported in the FEDERAL REGISTER, of May 15, 1956, page 3200.

This statement is made as of August 1, 1956.

Dated: August 1, 1956.

JOHN W. McEACHREN.

[F. R. Doc. 56-6530; Filed, Aug. 9, 1956; 1:36 p. m.]

ROBERT M. TRUEBLOOD

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

Statement of changes in financial interests required by section 302 (c) of Executive Order 10647.

1. Name of Appointee: Robert M. Trueblood.

2. Employing Agency: Office, Secretary of the Air Force.

3. Date of Appointment: September 30, 1955.

4. Title of Position: Consultant.

5. Name of Private Employer: Touche, Niven, Bailey & Smart, Pittsburgh, Pa.

6. Changes in names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

A. Deletions: None.
B. Additions: None.

This supplements my statement of financial interests reported in the FEDERAL REGISTER of May 15, 1956, page 3200.

This statement is made as of August 1, 1956.

Dated: July 30, 1956.

ROBERT M. TRUEBLOOD.

[F. R. Doc. 56-6531; Filed, Aug. 9, 1956; 1:37 p. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

COLORADO

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

AUGUST 3, 1956.

The United States Forest Service of the Department of Agriculture has filed and application, Serial No. Colorado 014003, for withdrawal of the lands described below, from all forms of appropriation under the public land laws, including the general mining laws but not the mineral leasing laws, subject to existing valid claims.

The applicant desires the land for use as recreation areas in the White River National Forest.

For a period of thirty (30) days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, 357 New Custom House, P. O. Box 1018, Denver 1, Colorado.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

SIXTH PRINCIPAL MERIDIAN, COLORADO

WHITE RIVER NATIONAL FOREST

Meadow Creek Recreation Area:
T. 3 S., R. 90 W. (unsurveyed),
Sec. 6: S $\frac{1}{2}$ SW $\frac{1}{4}$;
Sec. 7: NW $\frac{1}{4}$.

T. 3 S., R. 91 W. (unsurveyed),
 Sec. 12: E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$,
 N $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$.
 Black Lakes Recreation Area:
 T. 6 S., R. 79 W. (unsurveyed),
 Sec. 4: S $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$;
 Sec. 9: E $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$
 SE $\frac{1}{4}$;
 Sec. 10: W $\frac{1}{2}$ W $\frac{1}{2}$.
 Gold Park Recreation Area:
 T. 7 S., R. 81 W. (unsurveyed),
 Sec. 27: N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$,
 NW $\frac{1}{4}$ SE $\frac{1}{4}$.

Total area, 1,198.43 acres, more or less.

J. ELLIOTT HALL,
 Acting State Supervisor.

[F. R. Doc. 56-6489; Filed, Aug. 10, 1956;
 8:48 a. m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

JOHN L. CROSS

REPORT OF APPOINTMENT AND STATEMENT OF FINANCIAL INTERESTS

Report of appointment and statement of financial interests required by section 710 (b) (6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Mr. John L. Cross.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: May 15, 1956.
4. Title of position: Consultant.
5. Name of private employer: Westinghouse Electric Corporation, Sharon, Pa.

CARLTON HAYWARD,
 Director of Personnel.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Bank deposits.
 Westinghouse Electric Corporation.

Dated: July 27, 1956.

J. L. CROSS.

[F. R. Doc. 56-6475; Filed, Aug. 10, 1956;
 8:45 a. m.]

CIVIL AERONAUTICS BOARD

AERO FINANCE CORP. AND PENINSULAR AIR TRANSPORT

[Docket No. 6124]

AERO-PENINSULAR COMPLIANCE CASE; NOTICE OF ORAL ARGUMENT

In the matter of a complaint against Aero Finance Corporation and Peninsular Air Transport under the provisions

of the Board's Rules of Practice in Economic Proceedings.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on September 5, 1956, at 10:00 a. m., e. d. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., August 8, 1956.

[SEAL] FRANCIS W. BROWN,
 Chief Examiner.

[F. R. Doc. 56-6503; Filed, Aug. 10, 1956;
 8:52 a. m.]

[Docket No. 7173]

FOREIGN AIR CARRIER OFF-ROUTE CHARTER SERVICE INVESTIGATION

NOTICE OF ORAL ARGUMENT

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on September 12, 1956, at 10:00 a. m., e. d. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., August 8, 1956.

[SEAL] FRANCIS W. BROWN,
 Chief Examiner.

[F. R. Doc. 56-6504; Filed, Aug. 10, 1956;
 8:52 a. m.]

[Docket No. 8097]

FRONTIER AIRLINES, INC., ET AL.

ROUTE 26 INTERIM LOCAL SERVICE INVESTIGATION; NOTICE OF HEARING

In the matter of the investigation to determine whether and by which air carrier interim local service should be provided to Mitchell, Yankton, Sioux Falls, S. Dak., Norfolk, Nebr., Watertown and Brookings, N. Dak.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, that a hearing in the above-entitled proceeding is assigned to be held on September 6, 1956, at 10:00 a. m., c. s. t., in the "Assembly Room" of the Sheraton-Martin Hotel, Sioux City, Iowa, before Examiner Paul N. Pfeiffer.

Without limiting the scope of the issues to be considered, particular attention will be directed to the following matters:

1. Whether the public convenience and necessity require the alteration, amendment, or modification of the certificates of public convenience and necessity of Frontier Airlines, Inc., North Central Airlines, Inc., and Ozark Air Lines, Inc., so as to authorize any of said air carriers to serve in scheduled air transportation a route segment or segments, or any portion of such segment or segments, ex-

tending from Omaha, Nebr., to Bismarck-Mandan, N. Dak., via Norfolk, Sioux City, Yankton, Sioux Falls, Mitchell, Huron, and Aberdeen and/or from Omaha, Nebr., to Grand Forks, N. Dak., via Norfolk, Sioux City, Yankton, Sioux Falls, Mitchell, Brookings, Watertown, and Fargo until the expiration of 60 days after final decision by the Board in the Seven States Area Investigation, Docket No. 7454 et al.?

2. Whether the named local service air carriers are fit, willing and able to properly perform the air transportation stated and comply with the provisions of the act and the rules and regulations of the Board thereunder?

For further details of the issues involved in this proceeding interested persons are referred to the applications and any amendments thereto, petitions, motions, and orders entered in the docket of this proceeding, all of which are on file with the Civil Aeronautics Board.

Notice is further given that any person other than parties of record desiring to be heard in this proceeding should file with the Board, on or before September 6, 1956, a statement setting forth the issues of fact or law to be presented.

Dated at Washington, D. C., August 7, 1956.

[SEAL] FRANCIS W. BROWN,
 Chief Examiner.

[F. R. Doc. 56-6505; Filed, Aug. 10, 1956;
 8:52 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-3005, etc.]

HEFNER CO. ET AL.

NOTICE OF APPLICATIONS AND DATE OF HEARING

Take notice that each of the applicants listed below has filed an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, authorizing such applicant to continue to sell natural gas subject to the jurisdiction of the Commission, all as more fully represented in the respective applications which are on file with the Commission and open for public inspection. These matters should be consolidated and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on the date and at the place hereinafter stated, concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure

(18 CFR 1.8 or 1.10) not less than ten days before the date of hearing. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request for waiver is made. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicants to appear or be represented at the hearing.

The dockets, applicants and material averments in applications to which reference is made above are as follows:

Docket No.; Name; Gas Field, and Purchaser

G-3005; The Hefner Company; Tatums-Goodwin, Carter County, Okla.; Lone Star Gas Company.

G-3769; National Bank of Commerce of Houston, Executor of B. T. Connwell's Estate, et al.; Carthage, Panola County, Tex.; Texas Eastern Transmission Corporation.

G-3949; H. F. Sears; Panhandle, Hutchinson County, Tex.; F. P. Henderson Trust No. 2.

G-4118; James Porter Owen; Maxie, Acadia Parish, La.; Louisiana Natural Gas Corporation.

G-4604; F. A. Callery, Inc., et al.; Bayou Mallet, Acadia Parish, La.; Texas Northern Gas Corporation.

G-4937; Sohio Petroleum Company; Liberal Light, Beaver County, Okla.; Panhandle Eastern Pipe Line Company.

G-5523; Oil Development Company of Texas; Wasson, Gaines and Yoakum Counties, Tex.; Shell Oil Company and Coltexo Corporation.

G-5563; G. H. Vaughn; North Lansing, Harrison County, Tex.; H. L. Hunt.

G-5564; Spartan Drilling Company; Spartan, San Patricio County, Tex.; Tennessee Gas Transmission Company.

G-5565; G. H. Vaughn; Haynesville, Claiborne Parish, La.; Louisiana Nevada Transit Company.

G-5566; Klein and Vaughn; Lisbon, Claiborne and Lincoln Parishes, La.; United Gas Pipe Line Company.

G-5567; Spartan Drilling Company, W. H. Klein, G. Henry Vaughn III Trust, and Jack C. Vaughn Enterprises; Vealmor, Borden and Howard Counties, Tex.; Reef Fields Gasoline Corporation.

G-5568; Klein and Vaughn; Lisbon, Claiborne and Lincoln Parishes, La.; United Gas Pipe Line Company.

G-5569; Leah Hirsch Moyse, Susan Hirsch Solomon, Edwina Hirsch Reitsfeld, and Cecile Arant Taylor; Monroe, Quachita Parish, La.; United Carbon.

A public hearing will be held on the 5th day of September 1956, beginning at 9:30 a. m., e. d. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by the above applications.

(SEAL)

J. H. GUTRIDE,
Acting Secretary.

AUGUST 6, 1956.

[F. R. Doc. 56-6477; Filed, Aug. 10, 1956;
8:46 a. m.]

[Docket No. G-9707]

TEXAS EASTERN TRANSMISSION CORP.

NOTICE OF APPLICATION AND DATE OF
HEARING

AUGUST 6, 1956.

Texas Eastern Transmission Corporation
(applicant) filed an application on

November 28, 1955, as supplemented on January 6, 1956, and June 26, 1956, for a certificate of public convenience and necessity authorizing the construction and operation of certain facilities and sales hereinafter described, subject to the jurisdiction of the Commission, all as more fully described in applicant's application and supplements which are on file with the Federal Power Commission and open for public inspection.

Applicant requests authority to construct and operate an additional 4-inch tap and metering and regulating station to serve an existing customer at a new location.

Applicant in its original application proposed the same and delivery of up to 5100 Mcf per day of natural gas on a firm basis to joint buyers East Ohio Gas Company, The Peoples Natural Gas Company, and New York State Natural Gas Company, such delivery to be transferred from applicant's Zone C to its Zone D at a delivery point at approximately Mile Post 67.39 in Blair County, Pennsylvania, on the 24-inch Texas Eastern Penn-Jersey Transmission Corporation line leased to and operated by applicant.

In the supplement filed by applicant on June 26, 1956, applicant requested authority to deliver to The Peoples Natural Gas Company through the proposed new delivery point in Blair County, Pennsylvania, up to 7,000 Mcf of natural gas per day instead of the original request which was authorized by temporary certificate granted applicant on January 24, 1956. The Peoples Natural Gas Company is one of the operating companies of the Consolidated Natural Gas System.

Applicant states that this request to increase the quantities to be delivered to the Blair County interconnection is prompted by the necessity of providing adequate gas for more efficient operation and service in The Peoples Natural Gas Company's market area in the eastern portion of its system near Altoona, Pennsylvania.

The Peoples Natural Gas Company has requested that applicant make this additional 2,000 Mcf per day available to it at this point.

Applicant alleges that no additional deliveries to the companies of the Consolidated Natural Gas System are proposed over and above the authorized volume and applicant will encounter no difficulty in transporting and delivering the 7,000 Mcf per day to Peoples without adversely affecting its other service.

No new markets are proposed to be served by Peoples from the new delivery point.

Applicant also states that on June 5, 1956, it filed its service agreement dated May 11, 1956, with the East Ohio Gas Company, The Peoples Natural Gas Company, New York State Natural Gas Corporation, and Hope Natural Gas Company as joint buyer, providing for the delivery of a maximum daily quantity of 326,500 Mcf and an annual contract quantity of 119,172,500 Mcf at 15.025 psia under its Rate Schedule DCQ-C and DCQ-D. The maximum quantity deliverable on a firm basis under Rate Schedule DCQ-C is 319,500 Mcf and

under Rate Schedule DCQ-D is 7,000 Mcf. The agreement supersedes an existing agreement providing for the same maximum daily quantity but limiting deliveries under Rate Schedule DCQ-D to 5,000 Mcf per day.

It is alleged that with the recent construction of the Texas Eastern Penn-Jersey line near Peoples' eastern markets and with the growth in load of such eastern markets, Peoples has decided it would be desirable to have a new delivery point in applicant's Zone D even though the deliveries in that zone will cost more than if such deliveries were made in Zone C as at present.

Applicant further states that its proposed facilities are estimated to cost \$19,722, which will be paid out of cash on hand, and estimated sales for the year ending May 1957 in Zones C and D are 116,617,500 Mcf for \$39,416,160, or 33.7 cents per Mcf, and 2,555,000 Mcf for \$924,446, or 36.1 cents per Mcf, respectively.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on September 4, 1956, at 9:30 a. m., e. d. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application and supplements: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised it will not be necessary for applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 20, 1956. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL]

J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 56-6478; Filed, Aug. 10, 1956;
8:46 a. m.]

[Docket No. G-3025, etc.]

F. C. DEEMER ET AL.

NOTICE OF APPLICATIONS AND DATE OF
HEARING

Take notice that each of the applicants listed below has filed an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, authorizing such applicant to continue to sell natural

gas subject to the jurisdiction of the Commission, all as more fully represented in the respective applications which are on file with the Commission and open for public inspection. These matters should be consolidated and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on the date and at the place hereinafter stated, concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) not less than ten days before the date of hearing. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request for waiver is made. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicants to appear or be represented at the hearing.

The dockets, applicants and material averments in applications to which reference is made above are as follows:

Docket No.; Name of Applicant; Gas Field, and Purchaser

- G-3025; F. C. Deemer; Jefferson County, Pa.; United Natural Gas Company.
 G-3105, as amended 10-6-55; Humble Oil & Refining Company; Gwinville, Jefferson Davis and Simpson Counties, Miss.; Southern Natural Gas Company.
 G-3131, as amended 6-25-56; J. I. Roberts; Simsboro, Lincoln Parish, La.; Mississippi River Fuel Corporation; Arkansas-Louisiana Gas Company.
 G-3169, G-3170, and G-3186; M. H. Marr; North Ruston and Unionville, Lincoln, La.; East Haynesville, Claiborne, La.; Mississippi River Fuel Corporation; Arkansas-Louisiana Gas Company; Texas Eastern Transmission Corporation.
 G-3246; M. H. Marr and J. M. Forgotson; Delhi, West Delhi and Big Creek, Franklin, Madison and Richland Parishes, La.; Texas Eastern Transmission Corporation.
 G-3221; National Associated Petroleum Company; Hugoton, Haskell County, Kans.; Stanolind Oil and Gas Company.
 G-3270; Marshall R. Young; West Mermantau, Jefferson Davis Parish; Bancroft and S. Bancroft, Beauregard Parish, La.; Baxterville, Lamar County, Miss.; United Gas Pipe Line Company.
 G-3277 and G-3278; Seneca Development Company; Cotton Valley, Webster Parish, La.; United Gas Pipe Line Company; Louisiana-Nevada Transit Company.
 G-3279 and G-3286; Nebo Oil Company, Inc.; Cotton Valley, Webster Parish, La.; United Gas Pipe Line Company; Louisiana-Nevada Transit Company.

G-3515 to G-3517, inclusive, as amended 2-18-55; West Edmond Oil Company; West Edmond Hunton Lime, Kingfisher and Logan Counties, Okla.; Cities Service Gas Company.

G-3573; Southern Petroleum Exploration, Inc.; Panhandle, Gray County, Tex.; Reincke, Borden County, Tex.; Penrose-Skelly-Drinkard, Lea County, N. Mex.; Eunice, Lea County, N. Mex.; South Eunice, Lea County, N. Mex.; Eunice-Monument, Lea County, N. Mex.; Hobbs, Lea County, N. Mex.; N. E. Bianco, Rio Arriba County, N. Mex.; Rincon, Rio Arriba County, N. Mex.; Kerr-McGee Oil Industries, Inc.; Reef Fields Gasoline Corporation; Gulf Oil Corporation; El Paso Natural Gas Company; Phillips Petroleum Company; Skelly Oil Company; Warren Petroleum Corporation.

G-3579; Pennwells Corporation; Leidy, Leidy Township, Clinton County, Pa.; New York State Natural Gas Corporation.

G-3840 to G-3845, inclusive; Woodley Petroleum Company; Cotton Valley, Webster Parish, La.; Sligo, Bossier Parish, La.; Haynesville, Claiborne Parish, La.; Bayou Mallet, Acadia Parish, La.; United Gas Pipe Line Company; Arkansas-Louisiana Gas Company; Louisiana-Nevada Transit Company.

G-3910, Texas Gulf Producing Co.; G-4121, M. H. Marr; G-4125, J. W. O'Boyle, Trustee, under Kathleen O'Boyle Trust No. 2; G-4228, W. G. Ray; G-4233, W. C. Woolf; G-4866, H. L. Hunt; G-5208, Ralph A. Bristol, Agent for Marion Jean Bristol Wakefield; Cotton Valley, Webster Parish, La.; United Gas Pipe Line Company.

G-3951 and G-3952; John L. Smith; Floyd County, Ky.; Kentucky-West Virginia Gas Company.

G-4008; M. B. Rudman; Hico-Knowles, Lincoln Parish, La.; Mississippi River Fuel Corporation.

G-4012, G-4014, G-4015, and G-4320; Hollandsworth Oil Company, et al.; Woodlawn, Harrison County, Tex.; Woodlawn, Marion County, Tex.; Mississippi River Fuel Corporation.

G-4057; R. W. Fair, et al.; Woodlawn, Harrison County, Tex.; Mississippi River Fuel Corporation.

G-4094; The Sparta Oil Company; Lou Ella, San Patricio County, Tex.; Trunkline Gas Company.

G-4105; W. L. Pickens; West Mission Valley, Goliad County, N. Mex.; Transcontinental Gas Pipe Line Corporation.

G-4173; Sam Sklar, Trustee; Carthage, Panola County, Tex.; Texas Gas Transmission Corporation.

G-4265; Southern Natural Gas Company; North Choudrant, Lincoln Parish, La.; Bear Creek, Bienville Parish, La.; Mississippi River Fuel Corp., Texas Eastern Transmission Corp., Arkansas-Louisiana Gas Company.

G-4425; Levi Epstein Sons Oil Co.; Brown Lot, Warren County, Pa.; Godfrey Tract, Forest County, Pa.; Pennsylvania Gas Company.

G-4426; Placid Oil Company; G. T. Allison Unit, Carthage, Panola County, Tex.; Texas Gas Transmission Corporation.

A public hearing will be held on the 4th day of September 1956, beginning at 9:30 a. m., e. d. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington 25, D. C., concerning the matters involved in and the issues presented by the above applications.

[SEAL]

J. H. GUTRIDE,
Acting Secretary.

AUGUST 3, 1956.

[F. R. Doc. 56-6485; Filed Aug. 10, 1956; 8:47 a. m.]

GENERAL SERVICES ADMINISTRATION

[Project 3-DC-03]

FEDERAL OFFICE BUILDINGS

PROSPECTUS FOR PROPOSED BUILDINGS IN SOUTHWEST REDEVELOPMENT AREA OF DISTRICT OF COLUMBIA; CORRECTION

F. R. Doc. 56-5874 which was published in the FEDERAL REGISTER for ten consecutive issues beginning July 18, 1956, is corrected as follows:

In the letter of approval of the Director of the Bureau of the Budget the estimated site cost parenthetically referred to in item 1 of paragraph one was shown as "\$75,000"; it should have read "\$750,000".

SECURITIES AND EXCHANGE COMMISSION

[File No. 22-1909]

HARPENER BERGBAU-AKTIEN-GESELLSCHAFT
ORDER GRANTING APPLICATION

AUGUST 7, 1956.

Harpener Bergbau - Aktien - Gesellschaft, a corporation organized and existing under the laws of Germany, having filed an application pursuant to section 304 (d) of the Trust Indenture Act of 1939 for an order exempting from the provisions of section 310 (a) (3) of the act, 4½ percent Debt Adjustment Bonds, due January 1, 1970, to be issued by Harpener Bergbau - Aktien - Gesellschaft under an indenture to be dated as of January 1, 1953, between Harpener Bergbau-Aktien-Gesellschaft and The First National City Bank of New York as Trustee and Deutsche Kreditsicherungskommanditgesellschaft Dr. Alexander Kreuter as Co-Trustee, in connection with Harpener Bergbau-Aktien-Gesellschaft's offer of settlement to be made pursuant to Annex II of the London Agreement on German External Debts of February 27, 1953, between the Government of the Federal Republic of Germany, the United States of America and other countries; and

It appearing to the Commission with respect for exemption from section 310 (a) (3) to permit certain acts to be performed by the Co-Trustee, as follows:

(1) Harpener has outstanding an issue of Gold Mortgage 6 Percent Bonds, Series of 1929, which have been in default for many years. The London Agreement provides, among other things, for the consensual settlement of foreign currency obligations of German corporate debtors by the refunding and extension of such obligations. Harpener is, however, liable only for the repayment of bonds which may be validated pursuant to the Validation Law for German Foreign Currency Bonds of August 25, 1952. The terms of the offer negotiated by Harpener for its outstanding obligations provide for the issuance by Harpener of the above described Debt Adjustment Bonds, due January 1, 1970, in exchange for its outstanding validated bonds.

(2) The rights in the security of both the holders of the old and the new bonds are rights in German property, created under German mortgage law and to a large extent dependent upon the interpretation of the German Implementation Law; and such rights in the security should be adjudicated only by German courts.

(3) Vesting of title to the security in the Co-Trustee necessarily results in certain acts being performable by the Co-Trustee. The acts which are performable only by the Co-Trustee relate to the release of property, the reduction of the registered amount of the liens and the disposition of release moneys and such action is, in each case, subject to ultimate control by the institutional trustee.

Notice of filing of said application having been duly given, applicant having waived hearing thereon, the Commission not having received a request for hearing within the period specified in said notice and a hearing not appearing necessary or appropriate in the public interest or for the protection of investors;

It is ordered, That, insofar as the indenture permits the above described acts to be performed by the Co-Trustee, the said Debt Adjustment Bonds be, and the same hereby are, exempted from the provisions of section 310 (a) (3) of the Trust Indenture Act of 1939.

By the Commission,

[SEAL] ORVAL L. DUBOIS,
Secretary.

[P. R. Doc. 56-6482; Filed, Aug. 10, 1956;
8:47 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

[Vesting Order SA-73]

GOVERNMENT OF RUMANIA

In re: debt owing to the Government of Rumania; P-57-964.

Under the authority of Title II of the International Claims Settlement Act of 1949, as amended (69 Stat. 562), Executive Order 10644, November 7, 1955 (20 F. R. 8363), and pursuant to law, after investigation, it is hereby found and determined:

1. That the property described as follows: The certain debt or other obligation of The Chase Manhattan Bank, 18 Pine Street, New York 15, N. Y., arising out of an account entitled, "C. A. F. A. Casa Autonoma de Finantare si Amortizare, Bucarest, Roumania, Blocked Account," maintained at the aforesaid bank, together with any and all rights to demand, enforce and collect the same,

is property within the United States which was blocked in accordance with Executive Order 8389, as amended, and remained blocked on August 9, 1955, and which is, and as of September 15, 1947, was, owned directly or indirectly by the Government of Rumania as defined in said Executive Order 8389, as amended.

2. That the property described herein is not owned directly by a natural person.

There is hereby vested in the Attorney General of the United States the property described above, to be administered, sold, or otherwise liquidated, in accordance with the provisions of Title II of the International Claims Settlement Act of 1949, as amended.

It is hereby required that the property described above be paid, conveyed, transferred, assigned and delivered to or for the account of the Attorney General of the United States in accordance with directions and instructions issued by or for the Assistant Attorney General, Director, Office of Alien Property, Department of Justice.

The foregoing requirement and any supplement thereto shall be deemed instructions or directions issued under Title II of the International Claims Settlement Act of 1949, as amended. Attention is directed to section 205 of said Title II (69 Stat. 562) which provides that:

Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

Executed at Washington, D. C., on August 7, 1956.

[SEAL] HERBERT BROWNELL, Jr.,
Attorney General.

[P. R. Doc. 56-6495; Filed, Aug. 10, 1956;
8:50 a. m.]

[Vesting Order SA-74]

GOVERNMENT OF RUMANIA

In re: debt owing to the Government of Rumania; P-57-964.

Under the authority of Title II of the International Claims Settlement Act of 1949, as amended (69 Stat. 562), Executive Order 10644, November 7, 1955 (20 F. R. 8363) and pursuant to law, after investigation, it is hereby found and determined:

1. That the property described as follows: That certain debt or other obligation of the Ingersoll-Rand Company, 11 Broadway, New York 4, N. Y., arising out of an account payable entitled, "Ministere Economie Nationale Roumania Direction Comm. Redevances Imports Mineris," maintained by the aforesaid company, together with any and all rights to demand, enforce and collect the same,

is property within the United States which was blocked in accordance with Executive Order 8389, as amended, and remained blocked on August 9, 1955, and which is, and as of September 15, 1947, was, owned directly or indirectly by the Government of Rumania as defined

in said Executive Order 8389, as amended.

2. That the property described herein is not owned directly by a natural person.

There is hereby vested in the Attorney General of the United States the property described above, to be administered, sold, or otherwise liquidated, in accordance with the provisions of Title II of the International Claims Settlement Act of 1949, as amended.

It is hereby required that the property described above be paid, conveyed, transferred, assigned and delivered to or for the account of the Attorney General of the United States in accordance with directions and instructions issued by or for the Assistant Attorney General, Director, Office of Alien Property, Department of Justice.

The foregoing requirement and any supplement thereto shall be deemed instructions or directions issued under Title II of the International Claims Settlement Act of 1949, as amended. Attention is directed to section 205 of said Title II (69 Stat. 562) which provides that:

Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

Executed at Washington, D. C., on August 7, 1956.

[SEAL] HERBERT BROWNELL, Jr.,
Attorney General.

[P. R. Doc. 56-6496; Filed, Aug. 10, 1956;
8:50 a. m.]

[Vesting Order SA-75]

GOVERNMENT OF RUMANIA

In re: Debt owing to the Government of Rumania; P-57-964.

Under the authority of Title II of the International Claims Settlement Act of 1949, as amended (69 Stat. 562), Executive Order 10644, November 7, 1955 (20 F. R. 8363), and pursuant to law, after investigation, it is hereby found and determined:

1. That the property described as follows: That certain debt or other obligation of The First National City Bank of New York, 55 Wall Street, New York 15, New York, arising out of an account entitled "Roumanian Government, Special Account, (Blocked Account)," maintained at the Fifth Avenue Office of the aforesaid bank, together with any and all rights to demand, enforce and collect the same,

is property within the United States which was blocked in accordance with Executive Order 8389, as amended, and remained blocked on August 9, 1955, and which is, and as of September 15, 1947, was, owned directly or indirectly by

the Government of Rumania as defined in said Executive Order 8389, as amended.

2. That the property described herein is not owned directly by a natural person.

There is hereby vested in the Attorney General of the United States the property described above, to be administered, sold, or otherwise liquidated, in accordance with the provisions of Title II of the International Claims Settlement Act of 1949, as amended.

It is hereby required that the property described above be paid, conveyed, transferred, assigned and delivered to or for the account of the Attorney General of the United States in accordance with

directions and instructions issued by or for the Assistant Attorney General, Director, Office of Alien Property, Department of Justice.

The foregoing requirement and any supplement thereto shall be deemed instructions or directions issued under Title II of the International Claims Settlement Act of 1949, as amended. Attention is directed to section 205 of said Title II (69 Stat. 562) which provides that:

Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the

extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

Executed at Washington, D. C., on August 7, 1956.

[SEAL] HERBERT BROWNELL, JR.,
Attorney General.

[F. R. Doc. 56-6497; Filed, Aug. 10, 1956;
8:50 a. m.]