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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

DEPARTMENT OF LABOR

Effective upon publication in the FEDERAL REGISTER, paragraph (d) (2) of § 6.313 is revoked.

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

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 58-10115; Filed, Dec. 5, 1958; 8:49 a. m.]

TITLE 7—AGRICULTURE

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

[Navel Orange Reg. 147]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

LIMITATION OF HANDLING

§ 914.447 *Navel Orange Regulation 147*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of navel 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 recommendation and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such navel 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 hereof 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 Committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for navel 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 were 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 navel 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 hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 4, 1958.

(b) *Order.* (1) The respective quantities of navel 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., December 7, 1958, and ending at 12:01 a. m., P. s. t., December 14, 1958, are hereby fixed as follows:

(i) District 1: 970,200 cartons;
(ii) District 2: Unlimited movement;
(iii) District 3: Unlimited movement;
(iv) District 4: Unlimited movement.

(2) All navel oranges handled during the period specified in this section are subject also to all applicable size restric-

(Continued on p. 9475)

CONTENTS

Agricultural Marketing Service Page
Rules and regulations:
Limitations of handling:
Lemons grown in California and Arizona 9477
Oranges, navel, grown in Arizona and designated part of California 9473
Limitations of shipments; fruit grown in Florida:
Grapefruit 9475
Oranges 9475
Tangelos 9476
Tangerines 9476

Agriculture Department
See Agricultural Marketing Service; Commodity Credit Corporation; Commodity Stabilization Service.

Army Department
Rules and regulations:
Assistance to relatives and others in connection with deceased personnel; disposition of personal effects outside combat areas 9482

Civil Aeronautics Board
Notices:
Hearings, etc.:
Curry Air Transport enforcement proceeding 9496
Mohawk future final mail rate case 9496

Civil Service Commission
Rules and regulations:
Labor Department; exceptions from the competitive service 9473

Commerce Department
See Federal Maritime Board.

Commodity Credit Corporation
Rules and regulations:
Oilseeds; 1958-crop tung nut price support program; administration; insurance 9477
Tobacco, 1958 loan program; correction 9478

Commodity Stabilization Service
Notices:
Deputy Administrator, Production Adjustment, Commodity Stabilization Service; delegation of authority 9496

Defense Department
See Army Department.

FEDERAL REGISTER

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CONTENTS—Continued

Federal Communications Commission Page

Notices:
Hearings, etc.:
Fayetteville Broadcasting Co., Inc. (KHOG) 9497
Flewelling, Dale W., and KROY, Inc 9497
Jeannette Broadcasting Co. and Carnegie Broadcasting Co 9497
Los Banos Broadcasting Co 9497
Moore, Frederick Franklin 9497
Southern General Broadcasting Co., Inc. (WTRO) 9497

Federal Maritime Board Page

Notices:
Paper products by Dairypak, Auerbach and Lopez, classification; notice of investigation, consolidation and rescheduling of hearings 9496

Federal Power Commission

Notices:
Hearings, etc.:
California Co 9499
Harrell Drilling Co 9499
Mathews, Neil C 9498
Transcontinental Gas Pipe Line Corp. and Texas Gas Transmission Corp 9498

Fish and Wildlife Service

Rules and regulations:
North Platte National Wildlife Refuge, Nebr.; fishing 9486

Geological Survey

Notices:
Mill Creek (Umpqua), Oreg.; power site classification 9496

Health, Education, and Welfare Department

Notices:
Statement of organization and delegation of authority; reservation of authority 9500

Interior Department

See Fish and Wildlife Service; Geological Survey; Land Management Bureau; Mines Bureau.

Internal Revenue Service

Proposed rule making:
Income tax; taxable years beginning after Dec. 31, 1953; adjustments required by changes in method of accounting 9486

Rules and regulations:
Facilities and services excise taxes; tax on amount paid for transportation of property and on transportation of oil by pipeline 9478

Interstate Commerce Commission

Notices:
Motor carrier transfer proceedings 9500
Statements of changes in financial interests:
Lyrla, Keith H 9501
Root, Eugene S 9501

Land Management Bureau

Notices:
Wyoming; notice of filing of plats of survey and order providing for opening of public lands 9495

Rules and regulations:
Alaska; public land order 9485
Indians, Aleuts, and Eskimos; miscellaneous amendments 9484

Labor Department

See Public Contracts Division.

Mines Bureau

Rules and regulations:
Lighting equipment for illuminating underground workings 9479

Public Contracts Division Page

Proposed rule making:
Narrow fabrics, cordage and twine, and surgical dressing industry; determination of prevailing minimum wages 9494

Securities and Exchange Commission

Notices:
Cessna Aircraft Co.; application to withdraw from listing and registration, and of opportunity for hearing 9500

Treasury Department

See also Internal Revenue Service.

Notices:
Skandia Insurance Co.; acceptable reinsuring company on Federal bonds 9495

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 3 Page

Chapter I (Proclamations):
1519 (revoked by PLO 1762) 9485
Chapter II (Executive orders):
1919½ (revoked in part by PLO 1762) 9485
8102 (revoked in part by PLO 1762) 9485

Title 5

Chapter I:
Part 6 9473

Title 6

Chapter IV:
Part 443 9477
Part 464 9478

Title 7

Chapter IX:
Part 914 9473
Part 933 (4 documents) 9475, 9476
Part 953 9477

Title 26 (1954)

Chapter I:
Part 1 (proposed) 9486
Part 42 9478

Title 30

Chapter I:
Part 26 9479

Title 32

Chapter V:
Part 511 9482

Title 41

Chapter II:
Part 202 (proposed) 9494

Title 43

Chapter I:
Part 67 9484
Appendix (Public land orders):
253 (revoked in part by PLO 1762) 9485
1762 9485

Title 50

Chapter I:
Part 33 9486

tions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "District 1," "District 2," "District 3," "District 4," and "carton" have the same meaning as when used in said amended marketing agreement and order.

(Sec. 5, 49 Stat. 853, as amended; 7 U. S. C. 608c)

Dated: December 5, 1958.

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

[F. R. Doc. 58-10191; Filed, Dec. 5, 1958; 11:23 a. m.]

[Orange Reg. 351]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.938 *Orange Regulation 351*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, including Temple 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; 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 oranges, including Temple oranges, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 2, 1958, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–29, 1958, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning the recommended provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges, including Temple oranges, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the amended United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

(2) During the period beginning at 12:01 a. m., e. s. t., December 8, 1958, and ending at 12:01 a. m., e. s. t., January 5, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any oranges, including Temple oranges, grown in the production area, which do not grade at least U. S. No. 1 Bronze; or

(ii) Any oranges, except Temple oranges, grown in the production area, which are of a size smaller than 2$^{8}/_{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title): *Provided*, That in determining the percentage of oranges in any lot which are smaller than 2$^{8}/_{16}$ inches in diameter, such percentage shall be based only on those oranges in such lot which are of a size 2$^{1}/_{16}$ inches in diameter and smaller; or

(iii) Any Temple orange, grown in the production area, which are of a size smaller than 2$^{8}/_{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of Temple oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

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

Dated: December 3, 1958.

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

[F. R. Doc. 58-10125; Filed, Dec. 5, 1958; 8:50 a. m.]

[Grapefruit Reg. 298]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.939 *Grapefruit Regulation 298*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, 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; 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 all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 2, 1958; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–29, 1958, both dates inclusive, identical with the aforesaid recommendations of the committee, and information concerning the recommended

provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (§§ 51.750 to 51.790 of this title); and the term "mature" shall have the same meaning as set forth in section 601.16 Florida Statutes, Chapters 26492 and 28090, known as the Florida Citrus Code of 1949, as supplemented by section 601.17 (Chapters 25149 and 28090) and also by section 601.18, as amended June 2, 1955 (Chapter 29760).

(2) During the period beginning at 12:01 a. m., e. s. t., December 8, 1958, and ending at 12:01 a. m., e. s. t., January 5, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any grapefruit, grown in the production area, which are not mature and do not grade at least U. S. No. 1 Bronze;

(ii) Any seeded grapefruit, grown in the production area, which are of a size smaller than $3^{15}/_{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in the United States Standards for Florida Grapefruit (§§ 51.750 to 51.790 of this title); or

(iii) Any seedless grapefruit, grown in the production area, which are smaller than $3^{9}/_{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

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

Dated: December 3, 1958.

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

[F. R. Doc. 58-10126; Filed, Dec. 5, 1958; 8:50 a. m.]

[Tangerine Reg. 204]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.940 *Tangerine Regulation 204*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangerines, 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; 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 tangerines, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 2, 1958; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23-29, 1958, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning the recommended provisions and effective time has been disseminated among handlers of such tangerines; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangerines, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, and standard pack, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Tangerines (§§ 51.1810 to 51.1836 of this title).

(2) During the period beginning at 12:01 a. m., e. s. t., December 8, 1958, and ending at 12:01 a. m., e. s. t., January 5, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangerines, grown in the production area, that do not grade at least U. S. No. 1; or

(ii) Any tangerines, grown in the production area, that are of a size smaller than $2^{9}/_{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of tangerines smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Tangerines (§§ 51.1810 to 51.1836 of this title).

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

Dated: December 3, 1958.

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

[F. R. Doc. 58-10127; Filed, Dec. 5, 1958; 8:50 a. m.]

[Tangelo Reg. 10]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.941 *Tangelo Regulation 10*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangelos, 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; 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 tangelos, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 2, 1958, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–29, 1958, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning the recommended provisions and effective time has been disseminated among handlers of such tangelos; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangelos, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the amended United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

(2) During the period beginning at 12:01 a. m., e. s. t., December 8, 1958, and ending at 12:01 a. m., e. s. t., January 5, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangelos, grown in the production area, which do not grade at least U. S. No. 1 Bronze; or

(ii) Any tangelos, grown in the production area, which are of a size smaller than 2$\frac{1}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of tangelos smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

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

Dated: December 3, 1958.

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

[F. R. Doc. 58-10124; Filed, Dec. 5, 1958; 8:50 a. m.]

[Lemon Reg. 768]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF HANDLING

§ 953.875 *Lemon Regulation 768*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and 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 handling of such lemons 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 hereof 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 become 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 Committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons 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 were 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 lemons; 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 hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 3, 1958.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., December 7, 1958, and ending at 12:01 a. m., P. s. t., December 14, 1958, are hereby fixed as follows:

(i) District 1: 32,550 cartons;

(ii) District 2: 134,850 cartons;

(iii) District 3: 18,600 cartons.

(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: December 4, 1958.

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

[F. R. Doc. 58-10171; Filed, Dec. 5, 1958; 9:17 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

Subchapter B—Loans, Purchases, and Other Operations

[1958 CCC Tung Bulletin, Amdt. 1]

PART 443—OILSEEDS

SUBPART—1958 CROP TUNG NUT PRICE SUPPORT PROGRAM

ADMINISTRATION; INSURANCE

The regulations issued by Commodity Credit Corporation with respect to the 1958 Crop Tung Nut Price Support Program (23 F. R. 9011) are amended by changing paragraph (c) of § 443.1461 *Administration*, and § 443.1475 *Insurance* to read as follows:

§ 443.1461 *Administration.* * * *

(c) Forms will be distributed through the offices of State and county committees. All documents in connection with warehouse storage loans on tung oil and purchase agreements on tung nuts and tung oil will be approved by the county office manager or other employee of the county office designated by him to act in his behalf. Such designations shall be on file in the county office. Copies of all price support documents shall be retained in the county office.

§ 443.1475 *Insurance.* Tung oil tendered for loan or under purchase agreement which is stored in an approved warehouse on a commingled basis must be insured by the warehouseman for not less than the full market value against fire, lightning, inherent explosion, windstorm, cyclone, tornado, leakage, and such other hazards as are normally insured against by the warehouseman or required by statute.

(Sec. 4, 62 Stat. 1070 as amended; 15 U. S. C., 714b. Interpret or apply sec. 5, 62 Stat. 1072

secs. 201, 401, 63 Stat. 1052, as amended, 1054; 15 U. S. C. 714c, 7 U. S. C. 1446, 1421)

Issued this 2d day of December 1958.

[SEAL] CLARENCE L. MILLER,
Acting Executive Vice President,
Commodity Credit Corporation.

[F. R. Doc. 58-10128; Filed, Dec. 5, 1958; 8:50 a. m.]

PART 464—TOBACCO

SUBPART—1958 TOBACCO LOAN PROGRAM

SCHEDULES OF ADVANCE RATES BY GRADES

Correction

In F. R. Document 58-9693, appearing in the issue for Saturday, November 22, 1958, at page 9085, make the following change in the table for § 464.1028: The entry in the column headed "Length 44" opposite Grade "B2F" should read "49.12".

TITLE 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

Subchapter D—Miscellaneous Excise Taxes

[T. D. 6331]

PART 42—FACILITIES AND SERVICES EXCISE TAXES

TAX ON AMOUNT PAID FOR TRANSPORTATION OF PROPERTY AND ON TRANSPORTATION OF OIL BY PIPELINE

The Facilities and Services Excise Tax Regulations (26 CFR Part 42) are amended as set forth in paragraph 1 to insert provisions relating to the scope and applicability of the regulations prescribed under parts II and III of subchapter C of chapter 33 of the Internal Revenue Code of 1954, as amended.

The Facilities and Services Excise Tax Regulations (26 CFR Part 42) set forth in paragraph 2 are hereby prescribed under parts II and III of subchapter C of chapter 33 of the Internal Revenue Code of 1954, as amended, relating to the facilities and services excise tax on the amount paid for the transportation of property and on the transportation of oil by pipeline.

PARAGRAPH 1. Section 42.0-3 of the Facilities and Services Excise Tax Regulations (26 CFR Part 42) is amended:

(A) By striking paragraph (d) and inserting in lieu thereof the following:

(d) *Subpart E.* The regulations in Subpart E of this part relate to amounts paid on or after January 1, 1955, and before August 1, 1958, for the transportation of property.

(B) By striking paragraph (e) and inserting in lieu thereof the following:

(e) *Subpart F.* The regulations in Subpart F of this part relate to:

(1) Any transportation of oil by pipeline on or after January 1, 1955, for which payment is made before August 1, 1958; and

(2) Any transportation of oil by pipeline on or after January 1, 1955, exclusive of any such transportation which begins on or after August 1, 1958, for which no charge is made or the amount paid (other than pursuant to an arm's length transaction) is less than the fair charge therefor.

(Sec. 7805, 68 Stat. 917; 26 U. S. C. 7805)

PAR. 2. The following regulations are prescribed under parts II and III of subchapter C of chapter 33 of the Internal Revenue Code of 1954, as amended, relating to the tax on the amount paid for the transportation of property and on the transportation of oil by pipeline:

SUBPART E—TRANSPORTATION OF PROPERTY

Sec.

42.4271-4273 Statutory provisions; imposition of tax; exemptions; registration.

42.4271-4273-1 Applicability of tax and cross-reference to regulations.

AUTHORITY: §§ 42.4271-4273 and 42.4271-4273-1 issued under sec. 7805, 68A Stat. 917; 26 U. S. C. 7805.

§ 42.4271-4273 *Statutory provisions; imposition of tax; exemptions; registration.*

SEC. 4271. *Imposition of tax*—(a) *Property other than coal.* There is hereby imposed upon the amount paid within or without the United States for the transportation of property, except coal, by rail, motor vehicle, water, or air from one point in the United States to another, a tax equal to 3 percent of the amount so paid.

(b) *Coal.* There is hereby imposed upon the amount paid within or without the United States for the transportation of coal by rail, motor vehicle, water, or air from one point in the United States to another, a tax equal to 4 cents per short ton for the coal so transported.

(c) *Application of tax to transportation partially within the United States.* In the case of property transported from a point without the United States to a point within the United States, the tax shall apply to the amount paid within the United States for that part of the transportation which takes place within the United States.

(d) *By whom paid.* The taxes imposed by this section shall be paid by the person making the payment subject to the tax.

SEC. 4272. *Exemptions*—(a) *Not in business for hire.* The tax imposed under section 4271 shall apply only to amounts paid to a person engaged in the business of transporting property for hire, including amounts paid to a freight forwarder, express company, or similar person, but not including amounts paid by a freight forwarder, express company, or similar person for transportation with respect to which a tax has previously been paid under such section.

(b) *Construction projects.* The tax imposed by section 4271 shall not apply to the transportation of earth, rock, or other material excavated within the boundaries of, and in the course of, a construction project and transported to any place within, or adjacent to, the boundaries of such project.

(c) *Coal previously taxed.* The tax imposed by section 4271 (b) on the transportation of coal shall not apply to the transportation of coal with respect to which there has been a previous taxable transportation.

(d) *Certain organizations.* The tax imposed by section 4271 shall not apply to amounts paid for the transportation of property to or from an international organization, or any corporation created by act of Congress to act in matters of relief under the treaty of Geneva of August 22, 1864.

(e) *Post Office Department.* The tax imposed by section 4271 shall not apply to amounts paid to the Post Office Department for the transportation of property.

SEC. 4273. *Registration.* Every person engaged in the business of transporting property for hire, including freight forwarders, express companies, and similar persons, shall, within 60 days after first engaging in the business of transportation of property for hire, register his name and his place or places of business with the Secretary or his delegate.

SEC. 4 OF THE TAX RATE EXTENSION ACT OF 1958 (72 STAT. 260)

SEC. 4. *Repeal of taxes on transportation of property*—(a) *Repeal.* Effective as provided in subsection (c), part II (relating to tax on transportation of property) * * * of subchapter C of chapter 33 of the Internal Revenue Code of 1954 are hereby repealed.

* * * * *

(c) *Effective dates.* (1) * * * the repeals and amendments made by subsections (a) * * * shall apply only with respect to amounts paid on or after August 1, 1958.

* * * * *

§ 42.4271-4273-1 *Applicability of tax and cross-reference to regulations*—(a) *Applicability of tax.* Section 4271 imposes a tax on amounts paid before August 1, 1958, for the transportation of property.

(b) *Applicable regulations.* For rules relating to the imposition of tax under section 4271, the applications of the exemptions from such tax under section 4272, and the requirement of registration under section 4273, see Regulations 113 (1943 edition, as amended), 26 CFR (1939) Part 143, as prescribed under and made applicable to the Internal Revenue Code of 1954 by Treasury Decision 6091, 19 F. R. 5167, August 17, 1954.

SUBPART F—TRANSPORTATION OF OIL BY PIPELINE

Sec.

42.4281-4283 Statutory provisions; imposition of tax; definition of fair charge; exemption for oil transported within premises of a plant.

42.4281-4283-1 Applicability of tax and cross-reference to regulations.

AUTHORITY: 42.4281-4283 and 42.4281-4283-1 issued under sec. 7805, 68A Stat. 917; 26 U. S. C. 7805.

§ 42.4281-4283 *Statutory provisions; imposition of tax; definition of fair charge; exemption for oil transported within premises of a plant.*

SEC. 4281. *Imposition of tax.* There is hereby imposed upon all transportation of crude petroleum and liquid products thereof by pipeline a tax equivalent to 4½ percent of the amount paid for such transportation. If no charge for transportation is made (either by reason of ownership of the commodity transported or for any other reason), or if the payment for transportation is less than the fair charge therefor (other than in the case of an arm's length transaction), such tax shall be imposed on the fair charge for such transportation. The tax imposed by this section is to be paid by the person furnishing such transportation.

SEC. 4282. *Definition of fair charge.* For the purposes of section 4281, the fair charge for transportation shall be computed—

(1) From actual bona fide rates or tariffs; or

(2) If no such rates or tariffs exist, then on the basis of the actual bona fide rates or tariffs of other pipelines for like services, as determined by the Secretary or his delegate; or

(3) If no such rates or tariffs exist, then on the basis of a reasonable charge for such

transportation, as determined by the Secretary or his delegate.

SEC. 4283. *Exemption for oil transported within premises of a plant.* For the purposes of section 4281, the term "transportation" shall not include any movement through lines of pipe within the premises of a refinery, a bulk plant, a terminal, or a gasoline plant, if such movement is not a continuation of a taxable transportation. The crossing of rights-of-way, streets, highways, railroads, levees, or narrow bodies of water, in connection with such a movement, shall not of itself constitute such movement as being "transportation."

SEC. 4 OF THE TAX RATE EXTENSION ACT OF 1958 (72 STAT. 260)

SEC. 4. *Repeal of taxes on transportation of property*—(a) *Repeal.* Effective as provided in subsection (c), * * * part III (relating to tax on transportation of oil by pipeline) of subchapter C of chapter 33 of the Internal Revenue Code of 1954 are hereby repealed.

* * * * *

(c) *Effective dates.* (1) Except as provided in paragraph (2), the repeals and amendments made by subsections (a) * * * shall apply only with respect to amounts paid on or after August 1, 1958.

(2) In the case of transportation with respect to which the second sentence of section 4281 of the Internal Revenue Code of 1954 applies, the repeals and amendments made by subsections (a) * * * shall apply only if the transportation begins on or after August 1, 1958.

§ 42.4281–4283–1 *Applicability of tax and cross-reference to regulations*—(a) *Applicability of tax.* Section 4281 imposes a tax in respect of amounts paid before August 1, 1958, for the transportation of oil by pipeline. Section 4281 also imposes a tax in respect of the fair charge for the transportation of oil by pipeline in any case where—

(1) No charge is made for such transportation or the payment for such transportation is less than the fair charge therefor (other than in the case of an arm's length transaction), and

(2) The transportation begins before August 1, 1958.

(b) *Applicable regulations.* For rules relating to the imposition of tax under section 4281, the definition of fair charge contained in section 4282, and the application of the exemption for oil transported within the premises of a plant under section 4283, see Regulations 42 (1942 edition, as amended), 26 CFR (1939) Part 130, as prescribed under and made applicable to the Internal Revenue Code of 1954 by Treasury Decision 6091, 19 F. R. 5167, August 17, 1954.

Because this Treasury decision merely provides for the continuance of existing rules, 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 that Act.

[SEAL] DANA LATHAM,
Commissioner of Internal Revenue.

Approved: December 3, 1958.

DAN THROOP SMITH,
Deputy to the Secretary of the Treasury.

[F. R. Doc. 58–10109; Filed, Dec. 5, 1958; 8:48 a. m.]

TITLE 30—MINERAL RESOURCES

Chapter I—Bureau of Mines, Department of the Interior

Subchapter D—Electrical Equipment, Lamps, Methane Detectors; Tests for Permissibility; Fees

[Bureau of Mines Schedule 29A]

PART 26—LIGHTING EQUIPMENT FOR ILLUMINATING UNDERGROUND WORKINGS

There was published in the FEDERAL REGISTER of September 12, 1958 (23 F. R. 7081), a notice and text of proposed revision of the regulations of Subchapter D of Title 30, Code of Federal Regulations, prescribing procedures for testing and approving Lighting Equipment For Illuminating Underground Workings.

Interested persons were allowed 30 days after publication of the notice to submit written comments, suggestions, or objections concerning the proposed revision. Inasmuch as no such comment, suggestion, or objection was received, the proposed revision of the regulations is hereby adopted without change and is set forth below.

Approved: December 2, 1958.

MARLING J. ANKENY,
Director, Bureau of Mines.

FRED A. SEATON,
Secretary of the Interior.

Part 26 is revised to read as follows:

Sec.
26.1 Purpose.
26.2 Definitions.
26.3 Consultation.
26.4 Type of equipment that may be granted certificates for permissibility.
26.5 Components that may be certified.
26.6 Fees for investigation.
26.7 Tests and investigations.
26.8 Applications.
26.9 Specifications; all types of lighting systems.
26.10 Specifications; intrinsically-safe lighting fixtures.
26.11 Specifications; explosion-proof lighting fixtures.
26.12 Specifications; cable connectors.
26.13 Specifications; portable cables.
26.14 Conduct of investigations and demonstrations.
26.15 Certificate of approval for permissibility.
26.16 Certification of components.
26.17 Approval plate for permissible lighting systems.
26.18 Markings for certified components.
26.19 Changes after certification.
26.20 Withdrawal of certification.

AUTHORITY: §§ 26.1 to 26.20 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U. S. C. 3, 5, 471, 479.

§ 26.1 *Purpose.* The regulations in this part set forth the specifications and requirements for mine-lighting systems to procure their approval and certification as permissible for use in coal mines and certification of components for use in permissible lighting systems; procedures for applying for such certification; and fees.

§ 26.2 *Definitions.* As used in this part:

(a) "Permissible," as applied to mine-lighting systems, means that the system conforms to the specifications and requirements of this part, and that a certificate of approval to that effect has been issued.

(b) "Certificate of approval for permissibility" means a formal document issued by the Bureau stating that the system has met the specifications and requirements in this part and authorizing the use and attachment of an official approval plate.

(c) "Certification of components" means a statement in a letter of certification issued by the Bureau that the components which are intended for use in permissible mine-lighting systems have satisfied all of the applicable requirements prescribed in this part.

(d) "Lighting system" means a complete assembly of all the components required to establish illumination, including the fixtures, wiring, connectors, circuit-protection devices, and any other related parts.

(e) "Incendive spark" means an electric spark or arc capable of igniting flammable methane-air mixtures.

(f) "Intrinsically safe" means a fixture, a combination of parts, or an electrical circuit that will not cause ignition of flammable methane-air mixtures in any normal operation, during an intended manipulation, or when accidentally broken, if properly installed and supplied by a voltage that does not vary excessively from the nominal rating. (For the purpose of this part, the definition may include, for example, certain types of fluorescent lamps which when broken will not cause ignition of flammable methane-air mixtures.)

(g) "Fixture circuit" means the circuit or wiring contained in the fixture enclosure.

(h) "Explosion-proof" means capable of withstanding internal explosions of methane-air mixtures without damage to the enclosure or discharge of flame. For detailed requirements see Part 18 of this subchapter (Schedule 2F).

(i) "Explosion resistant" means an enclosure not built to explosion-proof specifications but capable of withstanding internal explosions of methane-air mixtures without igniting surrounding explosive methane-air mixtures, and without damage to the enclosure.

(j) "Drip-proof" means so constructed or protected that the successful operation of a lighting fixture is not interfered with when it is subjected to falling moisture or dirt.

(k) "Distribution box" means a portable enclosure in which one or more portable cables may be connected to a common source of electrical energy.

(l) "Normal operation" means the performance of those functions for which the component was designed.

(m) "Portable cable" means a flexible cable by means of which a portable lighting system may be connected to a source of electrical energy.

(n) "Frame ground" means a connection through a separate conductor to all exposed metallic casings and other parts which will maintain the casings and components at ground potential.

(o) "Sectional unit" means a lighting fixture that may be added to or removed from a lighting circuit as work advances or retreats.

(p) "Bureau" means the United States Bureau of Mines.

(q) "Applicant" means an individual, partnership, company, corporation, association, or other organization that designs, manufactures, or assembles, and seeks certification, or preliminary testing of a lighting system or its components.

§ 26.3 *Consultation.* By appointment, applicants or their representatives may visit the Bureau's Central Experiment Station, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, to discuss with qualified Bureau representatives proposed designs of equipment to be submitted in accordance with the requirements of the regulations of this part. No charge is made for such consultation.

§ 26.4 *Type of equipment that may be granted certificates of approval for permissibility.* Certificates of approval for permissibility will be granted for completely assembled lighting systems only and not for individual parts or subassemblies. A certificate of approval for permissibility shall include all components, cables, and equipment used in other than fresh intake air, and also, necessary protective devices which may be housed in non-explosion-proof enclosures located in fresh intake air.

§ 26.5 *Components that may be certified.* Manufacturers of components that are designed for use in permissible mine-lighting systems may request the Bureau of Mines to issue a letter certifying to the suitability of components for such use. To qualify for certification, components shall have satisfactorily met the prescribed inspection and test requirements, and the construction thereof shall be adequately covered by specifications officially recorded and filed by the Bureau.

§ 26.6 *Fees for investigation.*

(a) The fee for a complete investigation of a mine lighting system is $145.00.

(b) The full fee must accompany an application for retesting equipment that has been previously tested and disapproved. If less work is involved than for a complete investigation, the charge will be in proportion to the work done. Any surplus will be refunded to the applicant.

(c) The fee for tests covering only part of a complete investigation, such as to assist an applicant in developing a part, will be charged according to the work involved and will be in proportion to that charged for a complete investigation. A fee for such tests shall be determined in advance by the Bureau and the applicant notified accordingly in writing.

(d) Ordinarily a fee is not charged for an application covering an extension of certification that does not require test work. Each case, however, will be considered individually, and if a fee is required, the applicant will be notified accordingly, and the fee must be paid in advance before the investigation will be undertaken.

(e) For detailed inspection of a fixture $45.00

(When warranted by the amount of time spent, this charge may be reduced to not less than $22.50.)

(f) For explosion tests of an enclosure 35.00

(If less than 20 tests are involved, this charge may be reduced to not less than $17.50.)

(g) For each series of tests for the adequacy of electrical clearances and insulation, durability of parts, light output, surface temperatures, or protection against gas ignitions $40.00

(h) For examining and recording all the necessary drawings and specifications preparatory to issuing a certificate of approval for permissibility or certification of a component 25.00

(i) Tests to assist an applicant in the development of lighting equipment may be made upon request to the Chief, Branch of Electrical-Mechanical Testing, 4800 Forbes Ave., Pittsburgh 13, Pennsylvania, and charges therefore will be according to the work involved. Conducting such tests shall, however, be optional with the Bureau. A deposit of $100 shall be made in advance to cover the cost of such work. Any surplus remaining at the completion of this work will be refunded, or, if desired, can be applied to further work.

§ 26.7 *Tests and investigations.* Unless the application states otherwise, it will be presumed that a complete investigation for certification is desired. However, the application may be expressly limited to some element or phase less than a complete investigation. If the tests at any stage indicate that the lighting system does not conform to the specifications in this part, the Bureau may treat the application as one for a partial investigation up to that point. Complete investigation for certification will not be undertaken unless the equipment has been fully developed, is ready to be marketed, and is submitted completely assembled, including parts, connectors, and all related materials.

§ 26.8 *Applications.* (a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover the fees, and all prescribed drawings, specifications, and related material. The application and all related matters and all correspondence concerning it shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing.

(b) The equipment to be tested may be shipped (charges prepaid) at the same time the application is submitted, or, at the option of the applicant, shipment of the equipment may be deferred until the Bureau has notified the applicant that the application will be accepted.

(c) Drawings and specifications shall be adequate in number and detail to identify fully the design of the device and to disclose its materials, detailed dimensions of all parts, and include a wiring diagram. Drawings must be numbered and dated to insure accurate identification and reference to records and must show the latest revision. Specifications must be given for materials, components, and subassemblies.

§ 26.9 *Specifications; all types of lighting systems.* (a) The Bureau will not test or investigate any lighting system that in its opinion is not constructed of suitable materials, that evidences faulty workmanship, or that is not designed upon sound engineering principles. In addition to any specifications or requirements imposed by the regulations in this part, the Bureau may impose such further specifications or requirements as in its opinion are necessary or proper to investigate or test the particular device submitted.

(b) Adequacy of design and construction will be determined in connection with the following factors: Kind and durability of materials, test of active parts, resistance to moisture, drop test, insulation measurements, durability of construction, practicality in operation, suitability for underground service, and performance characteristics during the investigation. Since all possible designs, arrangements, or combinations cannot be foreseen, the Bureau reserves the right to make any tests or to place any limitations on equipment or parts of equipment not specifically covered herein to determine the safety of such equipment with regard to explosion and fire hazards.

(c) The following types of lighting fixtures will be considered: (1) Intrinsically safe, and (2) explosion proof.

(d) All components must be designed and constructed in such a manner that they will not create an explosion or fire hazard.

(e) All enclosures must be essentially of "drip-proof" design.

(f) All fixtures and related components in a lighting system must be so designed that the temperature of external surfaces will not exceed 390° F. (200° C.) at any point during continual operation.

(g) No certificate of approval will be issued for a lighting system if the electrical pressure (difference of potential) of the power supply exceeds 300 volts direct current or 260 volts alternating current at the input terminals of any lighting fixture.

(h) The clearances between live parts and casings shall be such as to minimize the possibility of electric arcs between them, or if space is limited, the casing shall be lined with adequate insulation.

(i) Phenolic and other insulating materials that give off highly explosive gases when decomposed by heat, such as may be generated electrically, shall not be placed within enclosures where they might be subjected to destructive electrical arcing.

(j) All lighting circuits shall be provided with short-circuit protection. If distribution boxes are used for this purpose, they must conform with all of the applicable requirements of Part 18 of this subchapter (Schedule 2F) unless these distribution boxes are installed in fresh intake air. The circuit of each lighting fixture shall be protected against excessive overload currents.

(k) If an ungrounded system is used, which is electrically isolated from all other power circuits, fixtures and auxiliary equipment need not be frame grounded.

(l) If a grounded system is used, all cables must contain a separate grounding conductor to insure that all exposed

conducting materials in the system will not exceed ground potential. A device that will disconnect all power from the system in case of a ground fault will meet this requirement.

(m) Power conductors must not be used for grounding.

(n) Lighting systems and fixtures shall be designed for hanging from supports, so that cables or components are not permitted to rest on the mine floor.

(o) All lighting fixtures must be provided with a lock or seal. Any other fastening that requires a special tool for its removal will be construed as an effective seal. In place of a conventional lock or seal, an electrical or mechanical interlock may be provided to prevent gaining access to the lamps with power on. Provision for removal of lamps without arcing or sparking will also be acceptable.

(p) Lighting fixtures must be so designed that vibration will not shake the lamps loose from their sockets or holders.

§ 26.10 *Specifications; intrinsically safe lighting fixtures.* (a) Intrinsically safe lighting fixtures shall be so constructed that they will withstand being dropped five times from a height of five feet on an oak platform in the presence of explosive methane-air mixtures. (In these tests Pittsburgh natural gas may be substituted for methane.) The safety elements of the fixture must function so that no explosion or fire hazard exists at any time during or after the tests. (Breakage of a fluorescent lamp will not in itself constitute test failure.)

(b) The fixture must be enclosed in an explosion-resistant housing that will afford mechanical protection and withstand a minimum of ten internal explosion tests in surrounding explosive atmospheres containing air with 7.0 to 10.0 percent of methane without (1) igniting the surrounding atmosphere, or (2) permanently distorting of any part of the fixture.

(c) Plastic material used in place of glass for lighting fixtures must not create explosion, fire, or toxic hazards when subjected to normal maximum operating temperatures.

§ 26.11 *Specifications; explosion-proof lighting fixtures.* (a) All lighting fixtures that cannot be designed intrinsically safe shall be constructed strictly in accordance with the applicable requirements of Part 18 of this subchapter (Schedule 2F).

(b) Transparent plastics used in place of glass shall be of the thickness required of glass and shall not crack or shatter when struck by dripping cold water.

§ 26.12 *Specifications; cable connectors.* (a) Connectors shall be constructed so as to afford a minimum of accessibility to live electrodes by any means other than the related plug.

(b) The material of which cable connectors are made must be equivalent to the insulation on the cables with respect to flame-resistant properties.

(c) Cable connectors shall meet the following requirements:

(1) A connector designed for a nominal 240-volt system shall be engaged and disengaged through 750 cycles under its rated load at 260 volts alternating current at 80 percent power factor.

(2) A connector designed for a nominal 120-volt system shall be engaged and disengaged through 750 cycles under its rated load at 130 volts alternating current at 80 percent power factor.

NOTE: The tests described in subparagraphs (1) and (2) of this paragraph will be performed mechanically in the presence of explosive atmospheres containing air with 7.0 to 10.0 percent of methane. Ignition of the surrounding explosive atmosphere, destructive burning, distortion, and excessive temperature constitute failure.

(3) Under normal load, no part of any cable connector shall attain a temperature in excess of 175° F. during any of the prescribed tests.

(4) At 260 volts impressed, one cable connector shall be subjected to a short-circuit test at the maximum capacity of a 5 KVA transformer. The connector components will be mechanically engaged with the cable on the male portion short circuited at the plug. A time lag fuse of the maximum current rating of the connector will be connected in the circuit.

NOTE: The connector used for this test will be one already subjected to the cycling test described in subparagraphs (1) and (2) of this paragraph.

Fusing of the contacts will constitute a failure.

(d) Cable connectors must be so designed that they will withstand a pull of 25 pounds without separating subsequent to the cycling tests described in subparagraphs (1) and (2) of paragraph (c) of this section.

§ 26.13 *Specifications; portable cables.* (a) All portable cables shall have 600-volt insulation and shall have an outer jacket that is highly resistant to abrasion, moisture, and heat. They shall meet the Bureau of Mines flame-resistance requirements of Part 18 of this subchapter (Schedule 2F).

(b) The minimum conductor size acceptable for lighting circuits shall be No. 14 (AWG). In any case, cables must have conductors of a size equal to or greater than the National Electric Code standard. The current carrying capacity shall be based upon the maximum load that will be carried by the cables in normal service.

§ 26.14 *Conduct of investigations and demonstrations.* Prior to the issuance of a certificate of approval, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon, may observe the investigations or tests. After the issuance of a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved system as it sees fit. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers. The Bureau shall hold as confidential and shall not disclose the results of chemical analyses of material or the contents of the application and its accompanying drawings, specifications, and related material.

§ 26.15 *Certificate of approval for permissibility.* (a) Upon completion of investigation of a lighting system, the Bureau will issue to the applicant either a certificate of approval for permissibility or a written notice of disapproval, as the case may require. If a certificate of approval for permissibility is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will hold as confidential results of tests that terminate in a notice of disapproval.

(b) A certificate of approval for permissibility will be accompanied by a list of the drawings and specifications covering the details of design and construction of the lighting system upon which the certificate is based, and with the official approval number marked thereon. Applicants shall keep exact duplicates of the drawings and specifications that have been submitted to the Bureau and that relate to any system which has received a certificate of approval, and these are to be adhered to exactly in production of the approved system for commercial purposes.

§ 26.16 *Certification of components.* (a) Upon completion of investigation of a component intended for use in a permissible lighting system, the Bureau will issue a letter of certification to the applicant, or a written notice of disapproval, as the case may require. If a letter of certification is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will hold as confidential results of tests that terminate in a notice of disapproval.

(b) Letters certifying components may be cited to manufacturers or assemblers of permissible lighting systems as evidence that further inspection and tests of the components will not be required, provided they are constructed strictly in accordance with the specifications on file with the Bureau. Such letters will specify a Bureau of Mines file number to be used in marketing a certified component, as indicated in paragraph (a) of § 26.18. Since the Bureau does not issue certificates of approval for permissibility except as applying to complete lighting systems, no person shall advertise or label components in a manner indicating that such components are certified as approved for permissibility by the Bureau. Certified components may be advertised as suitable for application in permissible lighting systems.

§ 26.17 *Approval plate for permissible lighting systems.* (a) A certificate of approval for permissibility will be accompanied by a photograph of a design for an approval plate, bearing the seal of the Bureau, space for the approval number, the type, the serial number, the class of device to which the approval relates, and the name of the applicant. When deemed necessary by the Bureau, an appropriate statement of the precautions to be observed in maintaining the

system in an approved condition shall be added.

(b) The applicant shall reproduce the design either as a separate plate or by stamping or molding it in some suitable place on each lighting fixture of a certified system. The size, type, method of attaching and location of approval plates are subject to the approval of the Bureau. The method of affixing the plate shall not impair the explosion-proof or explosion-resistant features of any enclosure.

(c) The approval plate identifies the lighting system as permissible, and is the applicant's guarantee that the system complies with the specifications and requirements in this part. Without an approval plate, no lighting system is considered "permissible" under the provisions of this part.

(d) Use of the approval plate obligates the applicant to maintain the quality of the system which bears it, and guarantees that it is manufactured and assembled according to the drawings and specifications upon which a certificate of approval was based. Use of the approval plate is not authorized except on systems that conform strictly with the drawings and specifications upon which the certificate of approval was based.

§ 26.18 *Markings for certified components.* (a) Certified components shall bear permanent markings satisfactory to the Bureau and shall contain the following:

Certified _____
(Name of component)
Bureau of Mines File No. BM29-C-_____
Rating or caution statement, whichever is applicable.

(b) Use of such markings obligates the applicant to maintain the quality of each component bearing it and guarantees that it is manufactured and assembled according to the drawings and specifications upon which certification was based. Use of such markings is not authorized except on components that conform strictly with the drawings and specifications upon which certification was based.

§ 26.19 *Changes after certification.* If an applicant desires to change any feature of a certified system or component and have it covered by existing certification, he shall first obtain the Bureau's approval of the change, pursuant to the following procedures:

(a) Application shall be made, as for an original certification, requesting that the existing certification be extended to cover the proposed change. The application shall be accompanied by drawings and specifications and related material as in the case of an original application.

(b) The application will be examined by the Bureau to determine whether inspection and testing of the modified system or component will be required. Generally, inspection and testing will be necessary if there is a possibility that the modification may affect adversely the performance of the system or component. The Bureau will inform the applicant whether such inspection and testing is required, the parts or materials to be submitted for that purpose, and the fee.

(c) If the proposed modification meets the requirements and specifications of this part, a formal extension of the certification will be issued accompanied by a list of new and corrected drawings and specifications to be added to those already on file as the basis for the certificate.

§ 26.20 *Withdrawal of certification.* The Bureau reserves the right to rescind for cause, at any time, any certification granted under this part.

[F. R. Doc. 58-10114; Filed, Dec. 5, 1958; 8:48 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter A—Aid of Civil Authorities and Public Relations

PART 511—ASSISTANCE TO RELATIVES AND OTHERS IN CONNECTION WITH DECEASED PERSONNEL

DISPOSITION OF PERSONAL EFFECTS OUTSIDE COMBAT AREAS

Section 511.4 is revised to read as follows:

§ 511.4 *Disposition of personal effects outside combat areas*—(a) *Purpose and scope*—(1) *Purpose.* This section and § 511.5 prescribe the manner of disposing of the household and personal effects and/or motor vehicles of certain persons who are deceased or missing outside combat areas when such effects are under the control of Army authorities.

(2) *Scope.* Procedures set forth in this section and § 511.5 govern the disposition of household and personal effects and/or vehicles of Army personnel and civilians accredited to the Army who are officially reported dead or missing. The regulations of this section do not authorize transportation (as distinguished from disposition) of personal property and effects.

(b) *Responsibility.* The Quartermaster General is responsible for the development, formulation, and promulgation of policies, standards, and procedures and for exercising staff and technical supervision relating to the handling and disposition of personal effects of deceased and missing Army personnel.

(c) *Care of effects.* The greatest care will be taken to safeguard the personal effects of deceased individuals. Every effort must be made to eliminate pilferage, damage, or loss of the effects. Before delivery or shipment, the effects should be screened carefully to remove and destroy those which are obnoxious in nature, or which might cause embarrassment if forwarded to the person entitled to receive such effects. Shipment of bloodstained clothing and effects to next of kin will be avoided. Such items will be cleaned before shipment.

(d) *Safeguarding military information.* All documents and any sealed material in the effects will be reviewed to insure proper safeguarding of military information. Classified material or material warranting classification will be withdrawn and submitted to the intelligence officer for review. Materials suitable for release will be returned by the intelligence officer for disposition.

(e) *Clothing and equipment.* All organizational clothing and equipment and all other Government property to which the individual is not entitled will be withdrawn from the personal effects and turned over to the appropriate supply officer on DA Form 1546 (Request for issue or Turn-in). Credit entries for the items withdrawn will be made on the records of the individual. Personal clothing to which title vests in the individual will not be withdrawn from effects, except to the extent necessary to provide clothing for burial.

(f) *Collection and inventory.* Upon the death of any person within the scope of this section, the immediate commanding officer of the deceased person, or the commanding officer of the installation at which effects are located, or his designated representative, will collect the effects, process them as indicated in paragraphs (c), (d), and (e) of this section, and prepare an inventory of the effects of DA Form 54 (Record of Personal Effects-Outside Combat Areas).

(g) *Delivery of effects to surviving spouse or legal representative.* If the surviving spouse or legal representative is present at the installation where effects are located, the commanding officer of the installation or his representative will deliver the effects in person and will obtain a receipt for the effects on the original copy of DA Form 54; or, if requested by such person, he will arrange for packing and shipment of effects at Government expense as authorized.

(h) *Currency, commercial papers, stocks, bonds, etc.* (1) If surviving spouse or legal representative is present, all currencies, commercial papers, stocks, bonds, checks, etc. (except funds belonging to the Government, Government checks payable to the deceased which are drawn on the Treasurer of the United States or on foreign depositories, and military payment orders payable to the deceased) will be delivered with other effects to the surviving spouse or legal representative. Government funds will be handled as indicated in subparagraph (2) (iii) of this paragraph. Government checks will be transmitted to the issuing disbursing officer and military payment orders will be forwarded to the Chief of Finance for appropriate action as indicated in subparagraph (3) of this paragraph.

(2) If the surviving spouse or legal representative is not present, the summary court will take the following action in disposing of currencies found among the effects:

(i) *United States currency.* All United States currency (if total amount exceeds $5) will be turned in to the nearest disbursing officer for issuance of a United States Treasury check or foreign currency check, as appropriate. Check will be forwarded to the person entitled to receive the effects or to a consular representative acting as agent for such person (paragraph (j) of this section). Such transaction will be recorded in

item 9 of DA Form 54, and this record will include the date and number of the check and the disbursing officer's symbol number. If United States currency found is less than $5, such money may be included with other effects transmitted.

(ii) *Foreign currency.* Foreign currencies found among the effects will be considered souvenir money and will be transmitted with the effects to the designated consignee.

(iii) *Government funds.* Government funds entrusted to personnel as agents or finance officers are not effects. If it appears that funds found on the deceased may be Government funds, all funds found on deceased will be turned over to the disbursing officer on appropriate finance forms to be held in special deposits until determination can be made as to the amounts belonging to the Government and to the individual.

(iv) *Military payment certificates.* Military payment certificates will be converted to a United States Treasury check or foreign currency check, as appropriate, and forwarded to the next of kin or legal representative. Military payment certificates totaling less than $5 may be presented to the disbursing officer for conversion into proper currency which will be transmitted with the effects. If, for valid reason, such currency cannot be forwarded to the person entitled to receive the effects, transmittal may be accomplished by converting funds to a foreign currency check or taking other appropriate action necessary to effect transmittal of the funds.

(3) If the surviving spouse or legal representative is not present, the summary court will take the following action to dispose of commercial papers and checks found among the effects:

(i) Bank deposit books, stocks, bonds, or negotiable instruments which include traveler's checks, money orders, etc., except checks drawn on the Treasurer of the United States or on foreign depositories and military payment orders, will be transmitted to the next of kin or legal representative with other effects. However, negotiable instruments made payable to the deceased in settlement of a debt due by a local debtor may be indorsed by the summary court for collection and the proceeds will be disposed of in the same manner as currency found among the effects.

(ii) Negotiable instruments found among the effects which, for valid reasons, cannot be transmitted to the next of kin or legal representative will be forwarded to The Quartermaster General, Department of the Army, Washington 25, D. C., Attn: Memorial Division.

(iii) Government checks (payable to the deceased) drawn on the Treasurer of the United States or on foreign depositories will be transmitted to the issuing disbursing officer or his successor in office for appropriate action. Proper notation will be made in item 9, DA Form 54, concerning these checks and the next of kin or legal representative will be advised of their deposit so that claim may be made for them.

(iv) Military payment orders (payable to the deceased) found among the effects of deceased personnel will be forwarded to the Chief of Finance, Department of the Army, Washington 25, D. C. Letter of transmittal will furnish information showing the source from which the military payment order was received, the status of the payee, such other information as may be available regarding issuance and ownership, and the name and address of the next of kin. Information concerning such transmittal will be entered in item 9, DA Form 54, and the legal representative or next of kin will be advised thereof in order that claim may be made for the proceeds of such military payment orders.

(i) *Sale of effects.* (1) If the surviving spouse or legal representative is not present, the commanding officer may authorize the sale of certain effects by the summary court when:

(i) The sale of effects would be to the interest of both the person designated to receive the effects and the Government, and prior to the sale the summary court has advised the person designated to receive the effects of the proposed sale and has obtained from such person a power of attorney to sell the effects concerned either by public or private sale; or

(ii) The sale of motor vehicles and other bulky items of household and personal effects of the person would be in the interests of the Government, an emergency exists, and, if practicable, a reasonable effort has been made to determine the desires of the next of kin or legal representative.

(2) When the next of kin or legal representative is not known or cannot be located, sale of effects will be accomplished in accordance with procedures contained in paragraph (k) of this section.

(3) Items may be considered for sale under conditions stated in subparagraph (1) (i) of this paragraph are those which:

(i) May not be shipped under existing regulations or policies established by the (oversea) commander.

(ii) Because of their bulk, nature, or weight cannot be included with other effects to be shipped.

(iii) Are obviously of no sentimental value, are not of a value commensurate to the cost of shipment, and may be sold in the oversea command for as much or more than in the United States (such as vehicles, heavy furniture, etc.).

(iv) If sold in the oversea command, would serve the best interest of the eventual owner concerned (such as items of electrical equipment which would not be of any value in the United States because of odd voltage).

(4) A complete record of all sales (including advertising, authority for sale, bills of sale, etc.) will be attached to the report of the summary court. Cash accruing from sales will be accounted for in item 9 of DA Form 54. Proceeds received from sales and certified copies of each bill of sale will be transmitted to the person designated by the summary court to receive the effects.

(j) *Delivery or shipment of effects.* (1) In accordance with 10 U. S. C. 4712, personal effects will be delivered to the spouse or legal representative if present; or shipped to the spouse or legal representative, to the son, daughter, father (provided the father has not abandoned the support of his family), mother, brother, sister, the next of kin, or to the beneficiary named in the will of the deceased, in the order named. Upon delivery or shipment of effects, a communication will be delivered or mailed to the person receiving the effects, conveying information that delivery or shipment of the property does not in any way vest title in the recipient, but that the property is delivered or forwarded for retention or disposition as custodian in accordance with the laws of the State (or Territory, possession, or country) of the decedent's legal domicile. In case of shipment, the communication will also state the date and method of shipment and the anticipated date of arrival.

(2) The summary court will transmit the effects, cash found, and cash from transactions, certified copies of bills of sale, copy of DA Form 54, etc., to the person eligible to receive the effects. Shipments will be made on Government bills of lading or by registered or insured mail.

(3) Each package, box, or crate will be marked plainly "Effects of deceased person" and will bear the full name, grade, service number, and organization of the person to whom the effects belonged. The contents of a package or packages will be verified against the record of effects by the commanding officer or summary court, and the package or packages will be sealed by the person verifying the contents. A certificate as to such verification and sealing will be included in the package (or package No. 1).

(4) If death occurs in a Territory or possession of the United States, or in another country, and the person entitled to receive the effects is a resident of that Territory, possession, or country, and if personal delivery or direct transmission is not practicable, the commanding officer or summary court may request the person entitled to receive the effects to designate a consular representative or other such person to receive the effects. Designation must be made in writing and the consular representative who acts as agent for acceptance of the effects will be required to receipt for the effects. The authorization and the receipt will be attached to the original DA Form 54.

(5) Customs clearance of effects will be required in case of shipment across an international boundary.

(k) *Legal representative or next of kin not known or cannot be located.* (1) When there are no persons in the categories listed as entitled to receive the effects, as indicated in paragraph (j) (1) of this section, or the addresses of such persons are not known or readily ascertainable, action will be taken by the summary court, not earlier than 30 days after death of the owner, to dispose of the effects in accordance with the following procedures:

(i) The summary court will sell by public or private sale all effects, except those articles defined valuable chiefly as keepsakes in 10 U. S. C. 4712. A complete record of all sales will be included

in the report of the summary court, and certified copies of bills of sale will be attached to the report.

(ii) Prior to sale of effects, a formal finding in writing concerning action taken to discover the existence or address of any person entitled to receive the effects will be prepared by the summary court and forwarded with the original DA Form 54.

(iii) All effects obviously of no sentimental value and having no salable value will be destroyed by the summary court and a certificate of destruction will be made a part of its report.

(iv) Currencies, checks, and all money found among the effects, including currency or checks received from sale of effects and/or collected from debtors, will be accounted for separately in item 9, DA Form 54 and transmitted with the inventory to the local disbursing officer. The disbursing officer will receipt for the funds on the inventory, will return the original and one copy to the summary court, and will deposit funds to the applicable deposit fund account.

(2) After review and approval by the appointing authority, the original and two copies of the summary court report (with supporting papers) and the original and two copies of DA Form 54 will be forwarded to The Quartermaster General, Department of the Army, Washington 25, D. C., Attn: Memorial Division. All purely commercial papers such as stocks, bonds, evidence of bank accounts, etc., and articles valuable chiefly as keepsakes, including sabers, insignia, decorations, medals, watches, trinkets, and manuscripts, will be forwarded to The Quartermaster General, Attn: Memorial Division, for transmission to the United States Soldiers' Home under the provisions of 10 U. S. C. 4713.

(3) Upon receipt of information concerning the location of the next of kin or other interested persons(s), subsequent to the disposition of effects by the summary court, such person(s) will be advised of disposition of effects and/or net proceeds received from sale of effects. Claim for net proceeds, if any, received from the sale of effects may be filed by interested person(s) with the General Accounting Office.

(l) *Claims for lost effects.* Inquiries concerning lost effects, together with a complete report of all action taken in an effort to locate such effects, may be referred to the Chief, Claims Division, Branch Office of The Judge Advocate General, Fort Holabird, Baltimore 19, Md.

(m) *Effects of missing persons*—(1) *Inventory of effects.* When any person subject to the Missing Person's Act is officially reported missing, the commanding officer having control of the missing person's effects will secure them in accordance with procedures described in paragraphs (c), (d), and (e) of this section, and will prepare an inventory of the effects on DA Form 54. The original copy of DA Form will be forwarded to The Quartermaster General, Department of the Army, Washington 25, D. C., Attn: Memorial Division.

(2) *Persons entitled to receive custody of effects.* Personal effects of Army personnel in active service who are officially reported missing for 30 days or more will be delivered and/or shipped to the spouse or legal representative; or to other persons indicated in paragraph (j) (1) of this section, in the order named.

(3) *Household and personal effects*—(i) *Shipment of effects.* The household and personal effects of personnel who are officially reported missing for 30 days or more may, upon application of the person or persons entitled thereto, be moved by Government or commercial transportation to the missing person's official residence of record or to such location as may be determined by the responsible Army commander or such person as he may designate. Shipment of household and personal effects may include one privately owned motor vehicle when the vehicle is located outside the continental limits of the United States or in Alaska.

(ii) *Notification to person receiving effects.* Upon delivery or shipment of effects, a communication will be delivered or mailed to the person receiving effects, conveying information that delivery or shipment of the property does not in any way vest title in the recipient, but that the property is delivered or forwarded for retention or disposition as custodian in accordance with the laws of the State (or Territory, possession, or country) of the missing person's legal domicile. In the case of shipment, the communication will also state the date and method of shipment and the anticipated date of arrival.

(4) *Sale of effects.* If the spouse or other person entitled to receive the effects is not present, the commanding officer may authorize the sale of certain effects by summary court when:

(i) The sale of those effects described in paragraph (i) (3) of this section would be to the interest of both the person designated to receive the effects and the Government and prior to the sale the summary court has advised the person designated to receive the effects of the proposed sale and has obtained from such person a power of attorney to sell the effects concerned either by public or private sale; or

(ii) The sale of motor vehicles and other bulky items of household and personal effects of the person would be in the interests of the Government, an emergency exists, and, if practicable, a reasonable effort has been made to determine the desires of the next of kin or legal representative.

(5) *Disposition of cash from sale of effects.* (i) Cash accruing from sale of effects will be accounted for in item 9 of DA Form 54. Proceeds received from a sale of effects and a complete record of all sales (including advertising, authority for sale, certified copy of bill of sales, etc.) will be forwarded to the dependent or other interested person.

(ii) If interested persons cannot be located or their addresses are unknown, the proceeds from such sale should be deposited with an accountable disbursing officer. A complete record of all sales will be included in the report of the summary court and certified copies of the bills of sale will be attached to the report. Within 1 year from the date of sale, the net proceeds may be covered into the Treasury as miscellaneous receipts.

(iii) Upon receipt of information concerning the location of the dependent or other interested person(s), subsequent to the disposition of effects by the summary court, such person(s) will be advised of disposition of effects and/or net proceeds received from sale of effects. Claim for the net proceeds, if any, received from the sale of effects may be filed by interested person(s) with the General Accounting Office.

[AR 643-50, November 10, 1958] (Sec. 3012, 70A Stat. 157; 10 U. S. C. 3012. Interpret or apply secs. 4712 and 4713, 70A Stat. 264, 265, 56 Stat. 143, 71 Stat. 491; 10 U. S. C. 4712, 4713)

[SEAL] R. V. LEE,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 58-10096; Filed, Dec. 5, 1958, 8:45 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

[Circular No. 2008]

PART 67—ALLOTMENTS TO INDIANS, ALEUTS, AND ESKIMOS

MISCELLANEOUS AMENDMENTS

On pages 7080 and 7081 of the FEDERAL REGISTER of September 12, 1958, there was published a notice of proposed rule-making to issue revised regulations governing allotments of public lands to Indians, Aleuts, and Eskimos in Alaska. Interested persons were given 30 days in which to submit written comments, suggestions, or objections with respect to the proposed regulations.

No comments, suggestions, or objections have been received.

The proposed regulations are hereby adopted with the following change and are set forth below:

At the end of paragraph (a) of § 67.1, the words "the Territory" are changed to "Alaska."

(Secs. 4, 5, 69 Stat. 444; 48 U. S. C. 462 note)

DECEMBER 2, 1958.

FRED A. SEATON,
Secretary of the Interior.

1. The title to Part 67 is revised to read "Indians, Aleuts, and Eskimos."

2. A new center heading is added after § 67.11 to read "Possessory Claim Hearings."

3. Section 67.10 is revoked in its entirety.

4. Sections 67.1 to 67.9 and 67.11 are revised to read as follows:

ALLOTMENTS TO INDIANS, ALEUTS AND ESKIMOS

§ 67.1 *Statutory authority.* (a) The act of May 17, 1906 (34 Stat. 197), as amended August 2, 1956 (70 Stat. 954; 48 U. S. C. 357), authorizes the Secretary of the Interior to allot not to exceed 160 acres of vacant, unappropriated,

and unreserved nonmineral land in Alaska or, subject to the provisions of the act of March 8, 1922 (42 Stat. 415; 48 U. S. C. 376–377), of vacant, unappropriated, and unreserved public land in Alaska that may be valuable for coal, oil, or gas deposits, or, under certain conditions, of national forest lands in Alaska, to certain Indians, Aleuts, or Eskimos of full or mixed blood, who reside in and are natives of Alaska.

(b) Under the Allotment Act, as amended, an applicant for allotment must be at least 21 years of age or the head of a family.

(c) Under the terms of the Allotment Act, as amended, the land allotted is deemed to be the homestead of the allottee and his heirs in perpetuity, and is inalienable and nontaxable. An Indian, Aleut, or Eskimo who receives an allotment under the act, or his heirs, however, may with the approval of the Secretary, convey the complete title to the allotted land by deed. The allotment shall thereafter be free of any restrictions against alienation and taxation unless the purchaser is an Indian, Aleut, or Eskimo native of Alaska who the Secretary determines is unable to manage the land without the protection of the United States and the conveyance provides for a continuance of such restrictions.

§ 67.2 *National forest lands.* Allotments may be made in national forests if founded on occupancy of the land prior to the establishment of the particular forest or if an authorized officer of the Department of Agriculture certifies that the land in the application for allotment is chiefly valuable for agricultural or grazing purposes.

§ 67.3 *Coal, oil, or gas lands.* Lands in applications for allotment and allotments that may be valuable for coal, oil, or gas deposits are subject to the regulations of Part 66 of this chapter.

§ 67.4 *Number of allotments; contiguity.* (a) No more than one allotment may be made to any one person.

(b) Lands in an allotment must be in a reasonably compact form and cannot consist of incontiguous tracts of land.

§ 67.5 *Applications for allotment.* (a) Applications for allotment must be filed, in triplicate on Form 4–021, properly and completely executed, in the land office which has jurisdiction over the lands. The application must be signed by the applicant but if he is unable to write his name, his mark or thumb print must be impressed on the application and witnessed by two persons.

(b) If surveyed, the land must be described in the application according to legal subdivisions of the public land surveys. If unsurveyed, it must be described as accurately as possible by metes and bounds and natural objects, and its position with reference to rivers, creeks, mountains or mountain peaks, towns or other prominent topographic points or natural objects or monuments, and to well-known nearby roads and trails, must be given.

(c) The application must be accompanied by a statement by the applicant that he has plainly indicated on the ground the corners of the land applied for by setting substantial posts or heaping up mounds of stones on each corner and that he has posted a notice of the application on the land, describing the tract applied for in the terms employed in the application on Form 4–021.

(d) Any application for allotment of lands which extend more than 160 rods along the shore of any navigable waters must be accompanied by a showing that the lands are not necessary for harborage, landing and wharf purposes and that the public interests will not be injured by waiver of the 160-rod limitation (see Part 77 of this chapter).

(e) Applications for allotment will be referred by the Bureau of Land Management to the Bureau of Indian Affairs for certification by an authorized officer that the applicant is a native qualified to make application under the Allotment Act, as amended. If the application is returned without such a certification, the application will be rejected.

(f) The filing of an application for allotment will grant no rights to the applicant over and above those which are specified in §§ 67.6 and 67.11. If the applicant does not submit the proof required by § 67.7 within 6 years of the filing of his application in the land office, his application for allotment will terminate without affecting the rights of the applicant gained by virtue of his occupancy of the land, or his rights to make another application. If the application was filed prior to the effective date of this paragraph, the application will be terminated under this paragraph only by decision of the authorized officer after appropriate notice to the applicant, granting him a reasonable period within which to file proof of continuous use and occupancy of the land as required by the regulation in this part.

§ 67.6 *Segregative effect of applications.* The filing of an acceptable application for allotment will segregate the lands to the extent that conflicting applications for such lands will be rejected, except when accompanied by a showing that the applicant for allotment has permanently abandoned occupancy of the land.

§ 67.7 *Allotments.* An allotment will not be made until the applicant has made satisfactory proof of substantially continuous use and occupancy of the land for a period of five years and the lands are surveyed by the Bureau of Land Management. Such proof must be made in triplicate and filed in the appropriate land office. It must be signed by the applicant, but if he is unable to write his name, his mark or thumb print must be impressed on the statement and witnessed by two persons. The showing of five years' use and occupancy may be submitted with the application for allotment if the applicant has then used and occupied the land for five years, or at any time after the filing of the application when the required showing can be made. The proof should give the name of the applicant, identify the application on which it is based, and appropriately describe the land involved. It should show the periods each year applicant has resided on the land; the amount of the land cultivated each year to garden or other crops; the amount of crops harvested each year; the number and kinds of domestic animals kept on the land by the applicant and the years they were kept there; the character and value of the improvements made by the applicant and when they were made; and the use, if any, to which the land has been put for fishing or trapping.

§ 67.8 *Approval of conveyances.* Applications for approval of conveyances by an allottee or his heirs must be filed with the appropriate office of the Bureau of Indian Affairs.

§ 67.9 *Appeals.* An appeal pursuant to the rules of practice, Part 221 of this chapter, may be taken from the decision of the authorized officer of the Bureau of Land Management.

SEGREGATION OF OCCUPIED LANDS

§ 67.11 *Occupied lands not subject to entry.* Lands occupied by Indians, Aleuts, and Eskimos in good faith are not subject to entry or appropriation by others.

[F. R. Doc. 58–10099; Filed, Dec. 5, 1958; 8:46 a. m.]

Appendix—Public Land Orders

[Public Land Order 1762]

[Anchorage 017473]

ALASKA

WITHDRAWING LANDS FOR USE OF THE ALASKA RAILROAD; PARTLY REVOKING EXECUTIVE ORDERS NOS. 1919½ OF APRIL 21, 1914, AND 8102 OF APRIL 29, 1939, AND PUBLIC LAND ORDER NO. 253 OF DECEMBER 7, 1944, REVOKING PROCLAMATION NO. 1519 OF APRIL 16, 1919

By virtue of the authority vested in the President by the Act of March 12, 1914 (38 Stat. 305; 48 U. S. C. 304) and otherwise, and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

1. Subject to valid existing rights, the following-described lands are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws, nor disposals of materials under the act of July 31, 1947 (61 Stat. 681; 30 U. S. C. 601–604) as amended and reserved for use of the Alaska Railroad for railroad purposes, as an addition to its Anchorage terminal reserve:

SEWARD MERIDIAN

T. 13 N., R. 3 W.,
Sec. 9, NE¼SW¼SW¼, W½SW¼SW¼, those portions lying North of Ship Creek.

The areas described contain 11.81 acres.

2. Proclamation No. 1519 of April 16, 1919, reserving lands for townsite purposes and for other purposes in connection with the construction and operation of railroad lines, which has heretofore been revoked in part by Executive Orders No. 3515 of July 18, 1921, and No. 8621 of December 27, 1940, and by Public Land Order No. 659 of August 24, 1950, is hereby revoked in its entirety. The follow-

ing-described lands are affected by this revocation:

SEWARD MERIDIAN

Beginning at a point 600 feet north of the north bank of Ship Creek on the east line of the NW¼SW¼ Sec. 9, T. 13 N., R. 3 W., S. M., thence in a northeasterly direction, 600 feet from and parallel to the meander line of the north bank of Ship Creek, to the west boundary of the Chugach National Forest as indicated upon the attached diagram; thence south along the west boundary of said Forest to a point 600 feet south of the south bank of Ship Creek; thence in a southwesterly direction 600 feet from and parallel to the meander line of the south bank of Ship Creek to the intersection of the east line of Ship Creek townsite withdrawal as defined in Executive Order No. 1919½ of April 21, 1914, thence north along the east line of said withdrawal to the southwest corner of the NW¼SW¼ Sec. 9, T. 13 N., R. 3 W., thence east 1,320 feet; thence north along the east line of the NW¼SW¼ of said Sec. 9 to the point of beginning.

The tract described contains approximately 935 acres.

3. Executive Order No. 1919½ of April 21, 1914, as amended by Executive Order No. 3672 of May 8, 1922, reserving lands for townsite purposes; Executive Order No. 8102 of April 29, 1939, reserving lands under jurisdiction of the War Department for use as a military reservation, and Public Land Order No. 253 of December 7, 1944, reserving lands for use of the War Department for military purposes, are hereby revoked so far as they affect the following-described lands:

SEWARD MERIDIAN

a. Beginning at the intersection of the south line of Section 6, T. 13 N., R. 3 W., Seward Meridian and the line of mean high tide of Knik Arm, thence:
East, 900 feet;
North, 1,320 feet to a point on the north boundary of lot 4, Sec. 7;
West, 360 feet approximately, to a point on the line of mean high tide of Knik Arm;
Southwesterly, 1,400 feet approximately, along line of mean high tide to point of beginning.

The area described contains 19.12 acres.

b. Beginning at the intersection of the north line Section 7, T. 13 N., R. 3 W., Seward Meridian and the line of mean high tide of Knik Arm, thence:
East, 390 feet along north boundary Sec. 7;
South, 1,900 feet;
West, 830 feet;
North, 580 feet approximately, to a point on the north boundary lot 2, Sec. 7;
N. 12°30' E., 850 feet approximately, to a point on the line of mean high tide of Knik Arm;
Northeasterly, 530 feet along the line of mean high tide to point of beginning.

The area described contains approximately 30 acres.

c.
T. 13 N., R. 2 W., S. M.,
Sec. 7, lots 2 and 3, those parts lying south of the right of way of Glenn Highway;
Sec. 7, lot 4;
Sec. 12, that part of the SE¼ described as follows:
Beginning at a point on the east boundary Sec. 12, identical with the northwest corner of lot 4, Sec. 7, T. 12 N., R. 2 W., thence:
N. 89°58'38" W., 350.23 feet;
N. 0°00'38" W., 646.51 feet;
N. 66°18'02" E., 382.53 feet;
South, 800.37 feet to the point of beginning.

The areas described aggregate 80.20 acres.

4. The lands described in paragraph 2 of this order remain in other withdrawals for power and military purposes.

Those described in paragraph 3 of this order are included in applications to purchase filed by the City of Anchorage (Anchorage-034650 and 034758) under the act of June 14, 1926 as amended by the act of June 4, 1954 (44 Stat. 741; 68 Stat. 173; 43 U. S. C. 869) as amended. They will not be subject to appropriation under any other public-land law, therefore, unless such applications are not concluded or the classifications are revised, in which event a further order of opening will be issued by an authorized officer of the Bureau of Land Management, specifying the time when and the manner in which applications for the lands may be received and the land disposed of.

ROGER ERNST,
Assistant Secretary of the Interior.

DECEMBER 2, 1958.

[F. R. Doc. 58-10098; Filed, Dec. 5, 1958; 8:46 a. m.]

TITLE 50—WILDLIFE

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

PART 33—CENTRAL REGION

SUBPART—NORTH PLATTE NATIONAL WILDLIFE REFUGE, NEBRASKA

FISHING

Basis and purpose. Pursuant to the authority conferred upon the Secretary of the Interior by section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1224; 16 U. S. C. 715i), as amended and supplemented, and acting in accordance with the authority delegated to me by Commissioner's Order No. 4 (22 F. R. 8126), I have determined that fishing on the North Platte National Wildlife Refuge, Nebraska, would be consistent with the management of the refuge.

By notice of proposed rule making published in the FEDERAL REGISTER of October 22, 1958 (23 F. R. 8131), the public was invited to participate in the adoption of a proposed regulation (conforming substantially with the rule set forth below) which would permit fishing on the North Platte National Wildlife Refuge by submitting written data, views, or arguments to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D. C., within a period of 30 days from the date of publication. No comments, suggestions, or objections having been received within the 30-day period, the regulations constituting Part 33 are amended by adding a new Subpart—North Platte National Wildlife Refuge, Nebraska, and § 33.145 reading as follows:

§ 33.145 *Fishing permitted.* Subject to compliance with the provisions of Parts 18 and 21 of this chapter, noncommercial fishing is permitted during the daylight hours of the period from January 15 to September 30, inclusive, on the waters of the North Platte National Wildlife Refuge, Nebraska, subject to the following conditions, restrictions, and requirements:

(a) *State laws.* Strict compliance with all applicable State laws and regulations is required.

(b) *Use of boats.* The use of boats, motorboats, and other floated craft is permitted on the waters of the refuge during the daylight hours of the period January 15 to September 30, inclusive.

(Sec. 10, 45 Stat. 1224; 16 U. S. C. 715i)

In accordance with the requirements imposed by section 4 (c) of the Administrative Procedure Act of June 11, 1946, 60 Stat. 238; 5 U. S. C. 1003 (c), the foregoing amendment shall become effective on the 31st day following publication in the FEDERAL REGISTER.

Dated: December 1, 1958.

D. H. JANZEN,
Director, Bureau of Sport Fisheries and Wildlife.

[F. R. Doc. 58-10097; Filed, Dec. 5, 1958; 8:46 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

ADJUSTMENTS REQUIRED BY CHANGES IN METHOD OF ACCOUNTING

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 comments or suggestions 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 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing to the Commissioner within the 30-day period. In such a case, a public hearing will be held and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the au-

thority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] DANA LATHAM,
Commissioner of Internal Revenue.

The following regulations for taxable years beginning after December 31, 1953, and ending after August 16, 1954, except where otherwise provided, are hereby prescribed under section 481 of the Internal Revenue Code of 1954:

Sec.
1.481 Statutory provisions; adjustments required by changes in method of accounting.
1.481-1 Adjustments in general.
1.481-2 Limitation on tax.
1.481-3 Adjustments attributable to pre-1954 Code years where change was not initiated by taxpayer.
1.481-4 Adjustments attributable to pre-1954 Code years where change was initiated by taxpayer.
1.481-5 Adjustments taken into account with consent.
1.481-6 Election to return to former method of accounting.

§ 1.481 *Statutory provisions; adjustments required by changes in method of accounting.*

SEC. 481. *Adjustments required by changes in method of accounting*—(a) *General rule.* In computing the taxpayer's taxable income for any taxable year (referred to in this section as the "year of the change")—

(1) If such computation is under a method of accounting different from the method under which the taxpayer's taxable income for the preceding taxable year was computed, then

(2) There shall be taken into account those adjustments which are determined to be necessary solely by reason of the change in order to prevent amounts from being duplicated or omitted, except there shall not be taken into account any adjustment in respect of any taxable year to which this section does not apply unless the adjustment is attributable to a change in the method of accounting initiated by the taxpayer.

(b) *Limitation on tax where adjustments are substantial*—(1) *Three year allocation.* If—

(A) The method of accounting from which the change is made was used by the taxpayer in computing his taxable income for the 2 taxable years preceding the year of the change, and

(B) The increase in taxable income for the year of the change which results solely by reason of the adjustments required by subsection (a) (2), other than the amount of such adjustments to which paragraph (4) or (5) applies, exceeds $3,000,

then the tax under this chapter attributable to such increase in taxable income shall not be greater than the aggregate increase in the taxes under this chapter (or under the corresponding provisions of prior revenue laws) which would result if one-third of such increase in taxable income were included in taxable income for the year of the change and one-third of such increase were included for each of the 2 preceding taxable years.

(2) *Allocation under new method of accounting.* If—

(A) The increase in taxable income for the year of the change which results solely by reason of the adjustments required by subsection (a) (2), other than the amount of such adjustments to which paragraph (4) or (5) applies, exceeds $3,000, and

(B) The taxpayer establishes his taxable income (under the new method of accounting) for one or more taxable years consecutively preceding the taxable year of the change for which the taxpayer in computing taxable income used the method of accounting from which the change is made,

then the tax under this chapter attributable to such increase in taxable income shall not be greater than the net increase in the taxes under this chapter (or under the corresponding provisions of prior revenue laws) which would result if the adjustments required by subsection (a) (2), other than the amount of such adjustments to which paragraph (4) or (5) applies, were allocated to the taxable year or years specified in subparagraph (B) to which they are properly allocable under the new method of accounting and the balance of the adjustments required by subsection (a) (2), other than the amount of such adjustments to which paragraph (4) or (5) applies, was allocated to the taxable year of the change.

(3) *Special rules for computations under paragraphs (1) and (2).* For purposes of this subsection—

(A) There shall be taken into account the increase or decrease in tax for any taxable year preceding the year of the change to which no adjustment is allocated under paragraph (1) or (2) but which is affected by a net operating loss (as defined in section 172) or by a capital loss carryover (as defined in section 1212), determined with reference to taxable years with respect to which adjustments under paragraph (1) or (2) are allocated.

(B) The increase or decrease in the tax for any taxable year for which an assessment of any deficiency, or a credit or refund of any overpayment, is prevented by any law or rule of law, shall be determined by reference to the tax previously determined (within the meaning of section 1314 (a)) for such year.

(C) In applying section 7807 (b) (1), the provisions of chapter 1 (other than subchapter E, relating to self-employment income) and chapter 2 of the Internal Revenue Code of 1939 shall be treated as the corresponding provisions of the Internal Revenue Code of 1939.

(4) *Special rule for pre-1954 adjustments generally*—Except as provided in paragraphs (5) and (6)—

(A) *Amount of adjustments to which paragraph applies.* The net amount of the adjustments required by subsection (a), to the extent that such amount does not exceed the net amount of adjustments which would have been required if the change in method of accounting had been made in the first taxable year beginning after December 31, 1953, and ending after August 16, 1954, shall be taken into account by the taxpayer in computing taxable income in the manner provided in subparagraph (B), but only if such net amount of such adjustment would increase the taxable income of such taxpayer by more than $3,000.

(B) *Years in which amounts are to be taken into account.* One-tenth of the net amount of the adjustments described in subparagraph (A) shall (except as provided in subparagraph (C)) be taken into account in each of the 10 taxable years beginning with the year of the change. The amount to be taken into account for each taxable year in the 10-year period shall be taken into account whether or not for such year the assessment of tax is prevented by operation of any law or rule of law. If the year of the change was a taxable year ending before January 1, 1958, and if the taxpayer so elects (at such time and in such manner as the Secretary or his delegate shall by regulations prescribe), the 10-year period shall begin with the first taxable year which begins after December 31, 1957. If the taxpayer elects under the preceding sentence to begin the 10-year period with the first taxable year which begins after December 31, 1957, the 10-year period shall be reduced by the number of years, beginning with the year of the change, in respect of which assessment of tax is prevented by operation of any law or rule of law on the date of the enactment of the Technical Amendments Act of 1958.

(C) *Limitation on years in which adjustments can be taken into account.* The net amount of any adjustments described in subparagraph (A), to the extent not taken into account in prior taxable years under subparagraph (B)—

(i) In the case of a taxpayer who is an individual, shall be taken into account in the taxable year in which he dies or ceases to engage in a trade or business,

(ii) In the case of a taxpayer who is a partner, his distributive share of such net amount shall be taken into account in the taxable year in which the partnership terminates, or in which the entire interest of such partner is transferred or liquidated, or

(iii) In the case of a taxpayer who is a corporation, shall be taken into account in the taxable year in which such corporation ceases to engage in a trade or business unless such net amount of such adjustment is required to be taken into account by the acquiring corporation under section 381 (c) (21).

(D) *Termination of application of paragraph.* The provisions of this paragraph shall not apply with respect to changes in methods of accounting made in taxable years beginning after December 31, 1963.

(5) *Special rule for pre-1954 adjustments in case of certain decedents.* A change from the cash receipts and disbursements method to the accrual method in any case involving the use of inventories, made on or after August 16, 1954, and before January 1, 1958, for a taxable year to which this section applies, by the executor or administrator of a decedent's estate in the first return filed by such executor or administrator on behalf of the decedent, shall be given effect in determining taxable income (other than for the purpose of computing a net operating loss carryback to any prior taxable year of the decedent), and, if the net amount of any adjustments required by subsection (a) in respect of taxable years to which this section does not apply would increase the taxable income of the decedent by more than $3,000, then the tax attributable to such net adjustments shall not exceed an amount equal to the tax that would have been payable on the cash receipts and disbursements method for the years for which the executor or administrator filed returns on behalf of the decedent, computed for each such year as though a ratable portion of the taxable income for such year had been received in each of 10 taxable years beginning and ending on the same dates as the taxable year for which the tax is being computed.

(6) *Application of paragraph (4).* Paragraph (4) shall not apply with respect to any taxpayer, if the taxpayer elects to take the net amount of the adjustments described in paragraph (4) (A) into account in the manner provided by paragraph (1) or (2). An election to take the net amount of such adjustments into account in the manner provided by paragraph (1) or (2) may be made only if the taxpayer consents in writing to the assessment, within such period as may be agreed on with the Secretary or his delegate, of any deficiency for the year of the change, to the extent attributable to taking the net amount of the adjustments described in paragraph (4) (A) into account in the manner provided by paragraph (1) or (2), even though at the time of filing such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law. An election under this paragraph shall be made at such time and in such manner as the Secretary or his delegate shall by regulations prescribe.

(c) *Adjustments under regulations.* In the case of any change described in subsection (a), the taxpayer may, in such manner and subject to such conditions as the

Secretary or his delegate may by regulations prescribe, take the adjustments required by subsection (a) (2) into account in computing the tax imposed by this chapter for the taxable year or years permitted under such regulations.

(d) *Exception for change to installment basis.* This section shall not apply to a change to which section 453 (relating to change to installment method) applies.

[Sec. 481 as amended by sec. 29, Technical Amendments Act of 1958 (72 Stat. 1626)]

§ 1.481–1 *Adjustments in general.* (a) (1) Section 481 prescribes the rules to be followed in computing taxable income in cases where the taxpayer computes his taxable income under a method of accounting different from that under which his taxable income was previously computed. A change in method of accounting to which section 481 applies includes a change in the over-all method of accounting for gross income or deductions, or a change in the treatment of a material item. For rules relating to changes in methods of accounting, see section 446 (e) and paragraph (e) of § 1.446–1. In computing taxable income for the taxable year of the change, there shall be taken into account those adjustments which are determined to be necessary solely by reason of such change in order to prevent amounts from being duplicated or omitted. The "year of the change" is the taxable year for which the taxpayer computes his taxable income under a method of accounting different from that used for the preceding taxable year.

(2) Unless the adjustments are attributable to a change in method of accounting initiated by the taxpayer, no part of the adjustments required by subparagraph (1) of this paragraph shall be based on amounts which were taken into account in computing income (or which should have been taken into account had the new method of accounting been used) for taxable years beginning before January 1, 1954, or ending before August 17, 1954.

(b) The adjustments specified in section 481 (a) and this section shall take into account inventories, accounts receivable, accounts payable, and any other item determined to be necessary in order to prevent amounts from being duplicated or omitted.

(c) (1) The term "adjustments", as used in section 481, has reference to the net amount of the adjustments required by section 481 (a) and paragraph (b) of this section. In the case of a change in the over-all method of accounting, such as from the cash receipts and disbursements method to an accrual method, the term "net amount of the adjustments" means the consolidation of adjustments (both plus and minus) arising with respect to balances in various accounts, such as inventory, accounts receivable, and accounts payable, at the beginning of the taxable year of the change in method of accounting. With respect to the portion of the adjustments attributable to pre-1954 Code years, it is immaterial that the same items or class of items with respect to which adjustments would have to be made (for the first taxable year to which section 481 applies) do not exist at the time the actual change in method of accounting occurs. For purposes of section 481, only the net dollar balance is to be taken into account. In the case of a change in the treatment of a single material item, the amount of the adjustment shall be determined with reference only to that item.

(2) (i) If the change in method of accounting is voluntary (that is, initiated by the taxpayer), the entire amount of the adjustments required by section 481 (a) is to be taken into account in computing taxable income for the taxable year of the change, except as otherwise provided by section 481 (b) (4) and (5). However, in such a case, if the portion of the adjustments which is attributable to taxable years subject to the Internal Revenue Code of 1954 increases taxable income by more than $3,000, the limitations on tax provided in section 481 (b) (1) or (2) apply.

(ii) The portion of the adjustments arising from a voluntary change in method of accounting and attributable to taxable years not subject to the 1954 Code is determined in accordance with section 481 (b) (4) (A) and § 1.481–4 (a). If such portion increases taxable income by more than $3,000 for the first taxable year to which section 481 applies, such portion may be taken into account over the period prescribed in section 481 (b) (4) (B). If the total increase in taxable income arising from the adjustments required by section 481 (a) is more than $3,000 for the taxable year of the change, but the portion of such adjustments attributable to pre-1954 Code years under section 481 (b) (4) (A) increases taxable income by $3,000 or less for the first taxable year to which section 481 applies, then the limitations provided in section 481 (b) (1) or (2) apply to the total adjustments. On the other hand, if the portion of such adjustments attributable to pre-1954 Code years increases taxable income by more than $3,000 for the first taxable year to which section 481 applies, and the portion attributable to 1954 Code years increases taxable income by $3,000 or less for the taxable year of the change, then the portion of the adjustments attributable to pre-1954 Code years may be taken into account over the period prescribed in section 481 (b) (4) (B), and the portion of the adjustments attributable to 1954 Code years is to be taken into account in the taxable year of the change.

(3) If the change in method of accounting is not voluntary (that is, not initiated by the taxpayer), then only the adjustments required by section 481 (a) which are attributable to taxable years subject to the Internal Revenue Code of 1954 are taken into account in computing taxable income for the taxable year of the change. If the amount of such adjustments increases taxable income by more than $3,000 for the taxable year of the change, the limitations on tax provided in section 481 (b) (1) or (2) apply.

(4) If the adjustments required by section 481 (a) as a result of a change in method of accounting decrease taxable income for the taxable year of the change, such decrease is taken into account for that year and the provisions of section 481 (b) do not apply. In the case of an involuntary change in method of accounting, no adjustments attributable to pre-1954 Code years are taken into account, whether or not such adjustments would decrease taxable income.

(5) A change in the method of accounting initiated by the taxpayer includes not only a change which he originates by securing the consent of the Commissioner, but also a change from one method of accounting to another made without the advance approval of the Commissioner. A change in the taxpayer's method of accounting required as a result of an examination of the taxpayer's income tax return will not be considered as initiated by the taxpayer. On the other hand, a taxpayer who, on his own initiative, changes his method of accounting in order to conform to the requirements of any Federal income tax regulation or ruling shall not, merely because of such fact, be considered to have made an involuntary change.

(6) Where the total adjustments required by section 481 (a) include both—

(i) An amount attributable to 1954 Code years to which the limitations on tax provided by section 481 (b) (1) or (2) apply, and

(ii) An amount attributable to pre-1954 Code years of which all or a pro rata portion thereof is to be taken into account under section 481 (b) (4) (A) or (B),

two separate computations of tax must be made for the taxable year of the change. The tax for such year must first be computed under section 481 (b) (1) or (2) in respect of the portion of the adjustments attributable to 1954 Code years, without regard to amounts taken into account under section 481 (b) (4) (A) or (B). Then the tax for such year must be computed in respect of the portion of the adjustments attributable to pre-1954 Code years, taking into account the portion of the adjustments attributable to 1954 Code years. The total tax for the taxable year of the change will be the aggregate of the tax computed under section 481 (b) (1) or (2) and the increase in tax attributable to taking into account the portion of the adjustments attributable to pre-1954 Code years under section 481 (b) (4) (A) or (B).

(7) For rules relating to the limitations on tax provided by section 481 (b) (1) and (2), see § 1.481–2. For rules relating to the adjustments attributable to taxable years beginning before January 1, 1954, or ending before August 17, 1954, see §§ 1.481–3 and 1.481–4.

(d) In determining the amount of any item of gain, loss, deduction, or credit which depends upon gross income, adjusted gross income, or taxable income for the taxable year of the change, the full amount of the adjustments required under section 481 (a) shall be taken into account for such year if such adjustments increase taxable income by $3,000 or less, or decrease taxable income. However, if the amount of the adjustments increase taxable income by more than $3,000, the provisions of section 481 (b) apply. Since section 481 (b) (1) and (2) merely provide for

limitations on the tax for the taxable year of the change, the entire amount of the adjustments which is subject to section 481 (b) (1) and (2) is taken into account in such year. See § 1.481–2. Where section 481 (b) (4) applies and the taxpayer does not elect to have the 10-year period begin with the first taxable year beginning after December 31, 1957, the pro rata portion of the adjustments attributable to pre-1954 Code years is also taken into account in the taxable year of the change. See § 1.481–4.

(e) The provisions of section 481 shall not apply in the case of a change from an accrual method to the installment method of accounting. In such case the rules provided in section 453 shall apply. However, section 481 does apply in the case of a change from the installment method of accounting to any other method.

§ 1.481–2 *Limitation on tax*—(a) *Three-year allocation.* Section 481 (b) (1) provides a limitation on the tax for the taxable year of the change attributable to the adjustments required under section 481 (a) and § 1.481–1 (other than the amount of adjustments to which section 481 (b) (4) or (5) applies). If such adjustments increase the taxpayer's taxable income for the taxable year of the change by more than $3,000, then the tax for such taxable year under chapter 1 of the Internal Revenue Code of 1954 attributable to the adjustments shall not exceed the lesser of (1) the tax attributable to taking such adjustments into account in computing taxable income for the taxable year of the change under section 481 (a) and § 1.481–1, or (2) the aggregate of the increases in tax under chapter 1 (or under corresponding provisions of prior revenue laws) which would result if the adjustments were included ratably in the taxable year of the change and the two preceding taxable years. For the purpose of computing the limitation on tax under section 481 (b) (1), the adjustments shall be allocated ratably to the taxable year of the change and the two preceding taxable years, whether or not the adjustments are in fact attributable in whole or in part to such years. The limitation on the tax provided in this paragraph shall be applicable only if the taxpayer used the method of accounting from which the change was made in computing taxable income for the two taxable years preceding the taxable year of the change.

(b) *Allocation under new method of accounting.* Section 481 (b) (2) provides a second alternative limitation on the tax for the taxable year of the change under chapter 1 attributable to the adjustments required under section 481 (a) and § 1.481–1 which are not subject to section 481 (b) (4) or (5) where such adjustments increase taxable income for the taxable year of the change by more than $3,000. If the taxpayer establishes from his books of account and other records what his taxable income would have been under the new method of accounting for one or more consecutive taxable years immediately preceding the taxable year of the change, and if the taxpayer in computing taxable income for such years used the method of accounting from which the change was made, then the tax attributable to the adjustments shall not exceed the smallest of the following amounts:

(1) The tax attributable to taking the adjustments into account in computing taxable income for the taxable year of the change under section 481 (a) and § 1.481–1;

(2) The tax attributable to such adjustments computed under the 3-year allocation provided in section 481 (b) (1), if applicable; or

(3) The net increase in the taxes under chapter 1 (or under corresponding provisions of prior revenue laws) which would result from allocating that portion of the adjustments to the one or more consecutive preceding taxable years to which properly allocable under the new method of accounting and from allocating the balance thereof to the taxable year of the change.

(c) *Rules for computation of tax.* (1) The first step in determining whether either of the limitations described in section 481 (b) (1) or (2) applies is to compute the increase in tax for the taxable year of the change which is attributable to the increase in taxable income for such year resulting solely from the adjustments required under section 481 (a) and § 1.481–1 which are not subject to section 481 (b) (4) or (5). This increase in tax is the excess of the tax for the taxable year computed by taking into account such adjustments under section 481 (a) over the tax computed for such year without taking the adjustments into account.

(2) The next step is to compute under section 481 (b) (1) the tax attributable to the adjustments referred to in subparagraph (1) of this paragraph for the taxable year of the change and the two preceding taxable years as if an amount equal to one-third of the net amount of such adjustments had been received or accrued in each of such taxable years. The increase in tax attributable to the adjustments for each such taxable year is the excess of the tax for such year computed with the allocation of one-third of the net adjustments to such taxable year over the tax computed without the allocation of any part of the adjustments to such year. For the purpose of computing the aggregate increase in taxes for such taxable years, there shall be taken into account the increase or decrease in tax for any taxable year preceding the taxable year of the change to which no adjustment is allocated under section 481 (b) (1) but which is affected by a net operating loss under section 172 or by a capital loss carryover under section 1212, determined with reference to taxable years with respect to which adjustments under section 481 (b) (1) are allocated.

(3) In the event that the taxpayer satisfies the conditions set forth in section 481 (b) (2), the next step is to determine the amount of the net increase in tax attributable to the adjustments referred to in subparagraph (1) of this paragraph for:

(i) The taxable year of the change,

(ii) The consecutive taxable year or years immediately preceding the taxable year of the change for which the taxpayer can establish his taxable income under the new method of accounting, and

(iii) Any taxable year preceding the taxable year of the change to which no adjustment is allocated under section 481 (b) (2), but which is affected by a net operating loss or by a capital loss carryover determined with reference to taxable years with respect to which such adjustments are allocated.

The net increase in tax for the taxable years specified in subdivisions (i), (ii), and (iii) of this subparagraph shall be computed as if the amount of the adjustments for the prior taxable years to which properly allocable in accordance with section 481 (b) (2) had been received or accrued, or paid or incurred, as the case may be, in such prior years and the balance of the adjustments in the taxable year of the change. The amount of tax attributable to such adjustments for the taxable years specified in subdivisions (i), (ii), and (iii) of this subparagraph is the aggregate of the differences (increases and decreases) between the tax for each such year computed by taking into account the allocable portion of the adjustments in computing taxable income and the tax computed without taking into account any portion of the adjustments in computing taxable income. Generally, where there is an increase in taxable income for a preceding consecutive taxable year established under the new method of accounting, computed without regard to adjustments attributable to any preceding taxable year, the amount of the adjustments to be allocated to each such year shall be an amount equal to such increase. However, where the amount of the adjustments to be allocated to a prior taxable year is less than the increase in taxable income for such year established under the new method of accounting, the amount of the increase in such taxable income for purposes of determining the increase in tax under section 481 (b) (2) for such year shall be considered to be the amount so allocated.

(4) The tax for the taxable year of the change (determined without regard to adjustments under section 481 (b) (4) or (5)) shall be the tax for such year, computed without taking any of the adjustments referred to in subparagraph (1) of this paragraph into account, increased by the smallest of the following amounts:

(i) The amount of tax for the taxable year of the change attributable solely to taking into account the entire amount of the adjustments required by section 481 (a) and § 1.481–1 which are not subject to section 481 (b) (4) or (5);

(ii) The sum of the increases in tax liability for the taxable year of the change and the two immediately preceding taxable years which would have resulted solely from taking into account one-third of the amount of such adjustments required for each of such years as though such amounts had been properly attributable to such years (computed in

accordance with subparagraph (2) of this paragraph); or

(iii) The net increase in tax attributable to allocating such adjustments under the new method of accounting (computed in accordance with subparagraph (3) of this paragraph).

(5) In the case of a change in method of accounting by a partnership, the adjustments required by section 481 shall be made with respect to the taxable income of the partnership but the limitation on tax in section 481 (b) shall apply to the individual partners. Each partner shall take into account his distributive share of the partnership items, as so adjusted, for the taxable year of the change. Section 481 (b) (1) applies to a partner whose taxable income is so increased by more than $3,000 as a result of of such adjustments to the partnership taxable income. It is not necessary for the partner to have been a member of the partnership for the two taxable years immediately preceding the taxable year of the change of the partnership's accounting method in order to have the limitation provided by section 481 (b) (1) apply. Further, a partner may request the Commissioner to approve a method under which the allocation provided by section 481 (b) (2) may be used for the purpose of limiting the increase in the partner's tax attributable to the increase in the taxable income of the partnership.

(6) For the purpose of the successive computations of the limitation on the tax under section 481 (b) (1) or (2), if the treatment of any item under the provisions of the Internal Revenue Code of 1954 (or corresponding provisions of prior internal revenue laws) depends upon the amount of gross income, adjusted gross income, or taxable income (for example, medical expenses, charitable contributions, or credits against the tax), such item shall be determined for the purpose of each such computation by taking into account the proper portion of the amount of any adjustments required to be taken into account under section 481 in each such computation.

(7) The increase or decrease in the tax for any taxable year for which an assessment of any deficiency, or a credit or refund of any overpayment, is prevented by any law or rule of law, shall be determined by reference to the tax previously determined (within the meaning of section 1314 (a)) for such year.

(8) In applying section 7807 (b) (1), the provisions of chapter 1 (other than subchapter E, relating to tax on self-employment income) and chapter 2 of the Internal Revenue Code of 1939 shall be treated as the corresponding provisions of the Internal Revenue Code of 1939.

(d) *Examples.* The application of section 481 (b) (1) and (2) may be illustrated by the following examples. Although the examples in this paragraph are based upon adjustments required in the case of a change in the over-all method of accounting, the principles illustrated would be equally applicable to adjustments required in the case of a change in method of accounting for a particular material item, provided the treatment of such adjustments is not specifically subject to some other provision of the Internal Revenue Code of 1954.

Example (1). An unmarried individual taxpayer using the cash receipts and disbursements method of accounting for the calendar year is required by the Commissioner to change to an accrual method effective with the year 1958. As of January 1, 1958, he had an opening inventory of $11,000. On December 31, 1958, he had a closing inventory of $12,500. Merchandise purchases during the year amounted to $22,500, and net sales were $32,000. Total deductible business expenses were $5,000. There were no receivables or payables at January 1, 1958. The computation of taxable income for 1958, assuming no other adjustments, using the new method of accounting follows:

Net sales		$32,000
Opening inventory	$11,000	
Purchases	22,500	
Total	33,500	
Less closing inventory	12,500	
Cost of goods sold		21,000
Gross profit		11,000
Business expenses		5,000
Business income		6,000
Personal exemption and itemized deductions		1,600
Taxable income		4,400

Under the cash receipts and disbursements method of accounting, only $9,000 of the $11,000 opening inventory had been included in the cost of goods sold and claimed as a deduction for the taxable years 1954 through 1957; the remaining $2,000 had been so accounted for in pre-1954 Code years. In order to prevent the same item from reducing taxable income twice, an adjustment of $9,000 must be made to the taxable income of 1958 under the provisions of section 481 (a) and § 1.481–1. Since the change in method of accounting was not initiated by the taxpayer, the $2,000 of opening inventory which had been included in cost of goods sold in pre-1954 Code years is not taken into account. Taxable income for 1958 is accordingly increased by $9,000 under section 481 (a) to $13,400. Assuming that the tax on $13,400 is $4,002 and that the tax on $4,400 (income without the adjustment) is $944, the increase in tax attributable to the adjustment, if taken into account for the taxable year of the change, would be the difference between the two, or $3,058. Since the adjustment required by section 481 (a) and § 1.481–1 ($9,000) increases taxable income by more than $3,000, the increase in tax for the taxable year 1958 attributable to the adjustment of $9,000 (i. e., $3,058) may be limited under the provisions of section 481 (b) (1) or (2). See examples (2) and (3).

Example (2). Assume that the taxpayer in example (1) used the cash receipts and disbursements method of accounting in computing taxable income for the years 1956 and 1957 and that the taxable income for these years determined under such method was $4,000 and $6,000, respectively. The section 481 (b) (1) limitation on tax with a pro rata three-year allocation of the $9,000 adjustment is computed as follows:

Taxable year	Taxable income before adjustment	Taxable income with adjustment	Assumed total tax	Assumed tax before adjustment	Increase in tax attributable to adjustment
1956	$4,000	$7,000	$1,660	$840	$820
1957	6,000	9,000	2,300	1,360	940
1958	4,400	7,400	1,780	944	836
Total					2,596

Since this increase in tax of $2,596 is less than the increase in tax attributable to the inclusion of the entire adjustment in the income for the taxable year of the change ($3,058), the limitation provided by section 481 (b) (1) applies, and the total tax for 1958, the taxable year of the change, if section 481 (b) (2) does not apply, is determined as follows:

Tax without any portion of adjustment		$944
Increase in tax attributable to adjustment computed under section 481 (b) (1)		2,596
Total tax for taxable year of the change		3,540

Example (3). (i) Assume the same facts as in example (1) and, in addition, assume that the taxpayer used the cash receipts and disbursements method of accounting in computing taxable income for the years 1953 through 1957; that he established his taxable income under the new method for the taxable years 1953, 1954, and 1957, but did not have sufficient records to establish his taxable income under such method for the taxable years 1955 and 1956. The original taxable income and taxable income as redetermined are as follows:

Taxable year	Taxable income		Increase or (decrease) in taxable income
	Determined under cash receipts and disbursements method	Established under new method	
1953	$5,000	$7,000	$2,000
1954	6,000	7,000	1,000
1955	5,500	(1)	
1956	4,000	(1)	
1957	6,000	10,000	4,000

[1] Undetermined.

As in examples (1) and (2), the total adjustment under section 481 (a) is $9,000. Of the $9,000 adjustment, $4,000 may be allocated to 1957, which is the only year consecutively preceding the taxable year of the change for which the taxpayer was able to establish his income under the new method. Since the income cannot be established under the new method for 1956 and 1955, no allocation may be made to 1954 or 1953, even though the taxpayer has established his income for those years under the new method of accounting. The balance of $5,000 ($9,000 minus $4,000) must be allocated to 1958.

(ii) The limitation provided by section 481 (b) (2) is computed as follows: The tax for 1957, based on taxable income of $6,000, is assumed to be $1,360. Under the new method, based on taxable income of $10,000, the tax for 1957 is assumed to be $2,640, the increase attributable to $4,000 of the $9,000 section 481 (a) adjustment being $1,280, ($2,640 minus $1,360). The tax for 1958, computed on the basis of taxable income of $4,400 (determined under the new method), is assumed to be $944. The tax computed for 1958 on taxable income of $9,400 ($4,400 plus the $5,000 adjustment allocated to 1958) is assumed to be $2,436, leaving a difference of $1,492 ($2,436 minus $944) attributable to the inclusion in 1958 of the portion of the total adjustment to be taken into account which could not be properly allocated to the taxable year or years consecutively preceeding 1958.

(iii) The tax attributable to the adjustment is determined by selecting the smallest of the three following amounts:

Increase in tax attributable to adjustment computed under section 481 (b) (2) ($1,280+$1,492)	$2,772
Increase in tax attributable to adjustment computed under section 481 (b) (1) (example (2))	$2,596
Increase in tax if the entire adjustment is taken into account in the taxable year of the change (example (1))	3,058

The final tax for 1958 is then $3,540 computed as follows:

Tax before inclusion of any adjustment	$944
Increase in tax attributable to adjustments (smallest of $2,772, $2,596 or $3,058)	2,596
Total tax for 1958 (limited in accordance with section 481 (b) (1))	3,540

Example (4). Assume that X Corporation has maintained its books of account and filed its income tax returns using the cash receipts and disbursements method of accounting for the years 1953 through 1957. The corporation secures permission to change to an accrual method of accounting for the calendar year 1958. The following tabulation presents the data with respect to the taxpayer's income for the years involved:

Year	Taxable income under the cash receipts and disbursements method		Taxable income established under accrual method	Increase or (decrease) attributable to change	Changes in taxable income due to changes in net operating loss carryback
	Before application of net operating loss carryback	After application of net operating loss carryback			
1953	$2,000	0	[1]		$2,000
1954	4,000	$1,000	[1]		3,000
1955	(5,000)		$1,000	$6,000	
1956	80,000	80,000	77,000	(3,000)	
1957	90,000	90,000	96,000	6,000	
1958			100,000		

[1] Not established.

As indicated above, taxable income for 1953 and 1954, as determined under the cash receipts and disbursements method of accounting, was $2,000 and $4,000, respectively, and after application of the net operating loss carryback from 1955, the taxable income was reduced to zero in 1953 and to $1,000 in 1954. The taxpayer was unable to establish taxable income for these years under an accrual method of accounting; however, under section 481 (b) (3) (A), increases or decreases in the tax for taxable years to which no adjustment is allocated must, nevertheless, be taken into account to the extent the tax for such years would be affected by a net operating loss determined with reference to taxable years to which adjustments are allocated. The total amount of the adjustments required under section 481 (a) and attributable to the taxable years 1953 through 1957 in this example is assumed to be $10,000. The redetermination of taxable income established by the taxpayer for the taxable years 1955, 1956, and 1957 appears under the heading "Taxable income established under accrual method" in the above tabulation. The tabulation assumes that the taxpayer has been able to recompute the income for those years so as to establish a net adjustment of $9,000, which leaves a balance of $1,000 unaccounted for. In accordance with the requirements of section 481 (b) (2), the $1,000 amount is allocated to 1958, the taxable year of the change. The following computations are necessary in order to determine the tax attributable to the adjustments under section 481 (a):

Increase in tax attributable to inclusion in 1958 of the entire $10,000 adjustment

Tax on income of 1958 increased by entire amount of adjustment ($100,000+$10,000)	$51,700
Tax on income of 1958 without adjustment ($100,000)	$46,500
Increase in tax attributable to inclusion of entire adjustment in year of the change	5,200

Year	Increase in tax attributable to adjustment computed under section 481 (b) (1)			
	Amount of adjustment	Tax before adjustment	Tax after adjustment	Increase in tax liability attributable to adjustment
1958	$3,334	$45,500	$48,234	$1,734
1957	3,333	41,300	43,033	1,733
1956	3,333	36,100	37,833	1,733
Increase in tax attributable to adjustment computed under section 481 (b) (1)				$5,200

Year	Increase in tax attributable to adjustment computed under section 481 (b) (2)			
	Amount of adjustment	Tax before adjustment	Tax after adjustment	Increase or (decrease) in tax liability
1953	[1] $2,000	0	[1] $600	$600
1954	[1] 3,000	$300	[1] 1,200	900
1955	6,000	0	300	300
1956	(3,000)	36,100	34,540	(1,560)
1957	6,000	41,300	44,420	3,120
1958	[2] 1,000	45,500	[2] 47,020	520
Increase in tax attributable to the adjustment computed under section 481 (b) (2)				$3,880

[1] Attributable to recomputations of net operating loss carrybacks determined with reference to net operating loss in 1955.

[2] Attributable to the inclusion of $1,000 in the year of the change which represents the portion of the $10,000 adjustment not allocated to taxable years prior to the year of the change for which taxable income is established under the new method.

Since the limitation under section 481 (b) (2) ($3,880) on the amount of tax attributable to the adjustments is applicable, the final tax for the taxable year of the change is computed by adding such amount to the tax for that year computed without the inclusion of any amount attributable to the adjustments, that is, $46,500 plus $3,880, or $50,380.

§ 1.481–3 *Adjustments attributable to pre-1954 Code years where change was not initiated by taxpayer.* If the adjustments required by section 481 (a) and § 1.481–1 are attributable to a change in method of accounting which was not initiated by the taxpayer, no portion of any adjustments which is attributable to pre-1954 Code years shall be taken into account in computing taxable income. For example, if the total adjustments in the case of a change in method of accounting which is not initiated by the taxpayer amount to $10,000, of which $4,000 is attributable to pre-1954 Code years, only $6,000 of the $10,000 total adjustments is required to be taken into account under section 481 in computing taxable income. The portion of the adjustments which is attributable to pre-1954 Code years is the net amount of the adjustments which would have been required if the taxpayer had changed his method of accounting in his first taxable year which began after December 31, 1953, and ended after August 16, 1954. See section 481 (b) (4) (A).

§ 1.481–4 *Adjustments attributable to pre-1954 Code years where change was initiated by taxpayer.*—(a) *Amount of adjustments to be taken into account.*

If the adjustments required by section 481 (a) and § 1.481–1 are attributable to a change in method of accounting initiated by the taxpayer, the amount of such adjustments, to the extent such amount does not exceed the net amount which would have been required if the change had been made in the first taxable year beginning after December 31, 1953, and ending after August 16, 1954, shall be taken into account by the taxpayer in computing taxable income in the manner provided in section 481 (b) (4) (B) and paragraph (b) of this section. The preceding sentence shall apply only if such amount would increase taxable income for such year by more than $3,000. For example, if the total adjustments amount to $19,000, and the portion of the adjustments attributable to pre-1954 Code years is $10,000 and the balance of $9,000 is attributable to taxable years subject to the 1954 Code, the adjustments shall be taken into account as follows:

(1) The portion attributable to pre-1954 Code years ($10,000) shall be taken into account in the manner provided in section 481 (b) (4) (B) and paragraph (b) of this section, and the limitations provided in section 481 (b) (1) or (2) will apply to the balance of $9,000; or

(2) If the taxpayer elects under section 481 (b) (6) to take the adjustments attributable to pre-1954 Code years into account under section 481 (b) (1) or (2), the limitations provided in section 481 (b) (1) or (2) will apply to the entire amount of the adjustments ($19,000).

The provisions of section 481 (b) (4), section 481 (b) (6), and paragraphs (b), (c), (d), and (e) of this section shall not apply with respect to changes in methods of accounting made in taxable years beginning after December 31, 1963.

(b) *Years for which amounts are to be taken into account.* (1) If the amount of the adjustments determined in accordance with section 481 (b) (4) (A) and paragraph (a) of this section would increase the taxable income of the taxpayer for the first taxable year to which section 481 applies by more than $3,000, the amount of such adjustments shall, except as provided in paragraphs (c), (d), (f), and (g) of this section, be taken into account—

(i) One-tenth in each of the 10 taxable years beginning with the taxable year of the change, or

(ii) If the taxable year of the change was a taxable year beginning after December 31, 1953, and ending after August 16, 1954, but before January 1, 1958, and if the taxpayer makes the election under section 481 (b) (4) (B) in the manner provided in subparagraph (5) of this paragraph, one-tenth in each of the 10 taxable years beginning with the first taxable year which begins after December 31, 1957.

(2) (i) The 10-year period which begins with the taxable year of the change shall be reduced by the number of years in respect of which assessment of the tax is prevented by operation of any law or rule of law. In the case of a taxpayer whose taxable year of the change ended before January 1, 1958, and who elects to use the period provided for in subparagraph (1) (ii) of this paragraph, the 10-year period which begins with the first taxable year beginning after December 31, 1957, shall be reduced by the number of years which corresponds to the number of taxable years, beginning with the taxable year of the change in respect of which assessment of the tax was prevented by the operation of any law or rule of law on September 2, 1958.

(ii) In the case of such a shortened period, the portion of the adjustments to be taken into account in any one taxable year within such shortened period shall be one-tenth of such adjustments, that is, the same pro rata portion which would have been taken into account in such taxable year if the 10-year period beginning with such first taxable year had not been shortened. If, for example, in a case where the 10-year period is properly used, assessment of a deficiency is prevented with respect to 1 of the 10 taxable years in which one-tenth of the adjustments would otherwise be required to be taken into account, then only nine-tenths of such adjustments is to be taken into account ratably in the other 9 taxable years. Thus, if the adjustments required under section 481 (a) amount to $10,000 and assessment of a deficiency for the calendar year 1954 (the taxable year of the change) is prevented, only nine-tenths of the adjustments, or $9,000, is to be taken into account in 1955 and the eight following taxable years at the rate of $1,000 a year. Similarly, if the taxpayer elects to begin the 10-year period with the taxable year 1958, only nine-tenths, or $9,000, is to be taken into account in 1958 and the eight following taxable years at the rate of $1,000 a year.

(3) If assessment of a deficiency is prevented with respect to a taxable year for which a prorated part would otherwise be required to be taken into account under subparagraphs (1) and (2) of this paragraph, section 481 (b) (4) (B) does not reopen that year for assessment purposes.

(4) The election provided in section 481 (b) (4) (B) and subparagraph (1) of this paragraph shall be made—

(i) In cases where the taxpayer requests the Commissioner's permission to change his method of accounting, at the time such request is made or at such other time as the Commissioner, prior to granting the taxpayer permission to make the change, may afford the taxpayer an opportunity to make such election; or

(ii) In cases where the taxpayer changed his method of accounting without the advance approval of the Commissioner and has not made an election to return to his former method of accounting in accordance with § 1.481–6, at any time before the ninetieth day after publication in the FEDERAL REGISTER of the final regulations under section 481.

The election shall be in the form of a written statement to the effect that the taxpayer elects under section 481 (b) (4) (B) to take the adjustments determined in accordance with section 481 (b) (4) (A) into account in the 10-year period beginning with the first taxable year beginning after December 31, 1957, and that the taxpayer agrees to include one-tenth of such adjustments in taxable income for such years in the manner provided in subparagraph (2) of this paragraph. In the case of a taxpayer referred to in subdivision (i) of this subparagraph, the statement of election shall be filed with the Commissioner of Internal Revenue, Attention: T:R, Washington 25, D. C. In the case of a taxpayer referred to in subdivision (ii) of this subparagraph, the statement of election shall be filed with the district director with whom he filed his income tax return for the taxable year of the change.

(c) *Limitation on years in which adjustments can be taken into account.* The amount of any adjustments determined in accordance with section 481 (b) (4) (A) and paragraph (a) of this section, to the extent not taken into account in prior taxable years under section 481 (b) (4) (B) and paragraph (b) of this section, shall be taken into account as follows:

(1) In the case of an individual taxpayer, such amount shall be taken into account in the taxable year in which he dies or ceases to engage in a trade or business;

(2) In the case of a partner, his distributive share of such amount shall be taken into account in his taxable year in which the partnership terminates or in which his entire interest in such partnership is transferred or liquidated; or

(3) In the case of a corporation, such amount shall be taken into account in the taxable year in which the corporation ceases to engage in a trade or business, unless the amount is required to be taken into account by the acquiring corporation under section 381 (c) (21) and the regulations thereunder.

(d) *Election under section 481 (b) (6).* (1) Under section 481 (b) (6) a taxpayer may elect to take the adjustments determined in accordance with section 481 (b) (4) (A) and paragraph (a) of this section into account in the manner provided in section 481 (b) (1) or (2) and paragraphs (a) or (b) of § 1.481–2 in lieu of taking such adjustments into account under the 10-year allocation rule provided in section 481 (b) (4) (B) and paragraph (b) of this section. If a taxpayer makes the election under section 481 (b) (6), such taxpayer may not take any portion of the adjustments into account under the 10-year allocation rule provided in section 481 (b) (4) (B). In such cases, the entire amount of the adjustments required by section 481 (a) is to be taken into account in computing taxable income for the taxable year of the change, subject to the limitations on tax provided in section 481 (b) (1) or (2). For example, if the adjustments resulting from a change in method of accounting which occurred in 1956 amount to $25,000, of which $10,000 is attributable to pre-1954 Code years, and the taxpayer elects under section 481 (b) (6) to take such adjustments into account in the manner provided by section 481 (b) (1) or (2), the limitations on tax provided in section 481 (b)

(1) or (2) shall apply to the entire $25,000 adjustments.

(2) The election under section 481 (b) (6) may be made only if the taxpayer consents in writing to the assessment, within such period as may be agreed upon with the Commissioner or district director, of any deficiency for the taxable year of the change in the method of accounting which results from taking such adjustments into account in the manner so elected, even though at the time of filing such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

(3) The election provided in section 481 (b) (6) shall be made—

(i) In cases where the taxpayer requests the Commissioner's permission to change his method of accounting, at the time such request is made or at such other time as the Commissioner, prior to granting the taxpayer permission to make the change, may afford the taxpayer an opportunity to make such election; or

(ii) In cases where the taxpayer changed his method of accounting without the prior approval of the Commissioner and has not made an election to return to his former method of accounting in accordance with § 1.481–5, at any time before the ninetieth day after publication in the FEDERAL REGISTER of the final regulations under section 481.

The election shall be in the form of a written statement to the effect that the taxpayer elects under section 481 (b) (6) to take the adjustments determined in accordance with section 481 (b) (4) (A) into account in the manner provided by section 481 (b) (1) or (2). In the case of a taxpayer referred to in subdivision (i) of this subparagraph, the statement of election shall be filed with the Commissioner of Internal Revenue, Attention: T:R, Washington 25, D. C. In the case of a taxpayer referred to in subdivision (ii) of this subparagraph, the statement of election shall be filed with the district director with whom he filed his income tax return for the taxable year of the change.

(e) *Example.* The application of the provisions of this section may be illustrated by the following examples:

Example (1). X Corporation has been filing its income tax returns and keeping its books on the cash receipts and disbursements method of accounting for the calendar year. It requests, and is granted, the permission of the Commissioner, effective with the calendar year 1960, to change to an accrual method of accounting. As of January 1, 1954, the taxpayer had an opening inventory of $20,000, accounts receivable of $22,000, and accounts payable of $14,000. As of January 1, 1960, its records reflect an opening inventory of $34,000, accounts receivable of $32,000, and accounts payable of $19,000. The corporation has no other items which require adjustment under section 481 (a). The adjustments required to be made by X Corporation in 1960 under section 481 (a) amount to $47,000 ($34,000 plus $32,000 less $19,000). The amount of the adjustments which X Corporation would have been required to make if it had changed its method of accounting for the calendar year 1954 is $28,000 ($20,000 plus $22,000 less $14,000). Since such $28,000 of adjustments in respect of pre-1954 Code years would increase the taxable income for 1954 by more than $3,000, and since the adjustments are attributable to a change in method of accounting initiated by the taxpayer, such $28,000 of adjustments shall be taken into account under section 481 (b) (4) (B) and paragraph (b) of § 1.481–4, unless X Corporation elects under section 481 (b) (6) to have the limitations on tax provided by section 481 (b) (1) or (2) apply to such adjustments. The remaining portion ($19,000) of the adjustments required by section 481 (a) is to be taken into account in 1960, subject, however, to the tax limitation applicable under the 3-year allocation method of section 481 (b) (1) or the new-accounting-method allocation under section 481 (b) (2).

Example (2). If the facts in example (1) were the same except that as of January 1, 1960, the three adjustments are such that only $20,000 of adjustments is required to be taken into account under section 481 (a) for 1960, then the entire amount of adjustments ($20,000) is to be taken into account in the manner provided by section 481 (b) (4) or section 481 (b) (6) since such amount does not exceed the $28,000 of adjustments that would have been required if the taxpayer had changed its method of accounting for the calendar year 1954.

(f) *Special rule for pre-1954 adjustments in case of certain decedents.* Section 481 (b) (5) provides a special rule in respect of the tax attributable to pre-1954 adjustments in the case of a change from the cash receipts and disbursements method to an accrual method involving the use of inventories made on or after August 16, 1954, and before January 1, 1958, for a taxable year to which section 481 applies, by the executor or administrator of a decedent's estate in the first income tax return filed by such executor or administrator on behalf of the decedent. Such rule provides that—

(1) Such a change shall be given effect in determining taxable income (other than for the purpose of computing a net operating loss carryback to any prior taxable year of the decedent); and

(2) If the adjustments required by section 481 (a) in respect of taxable years to which section 481 does not apply would increase taxable income of the decedent by more than $3,000, then the tax attributable to such adjustments shall not exceed an amount equal to the tax that would have been payable on the cash receipts and disbursements method for the years for which the executor or administrator filed income tax returns on behalf of the decedent, computed for each such year as though a ratable portion of the taxable income for such year had been received in each of 10 taxable years beginning and ending on the same dates as the taxable year for which the tax is being computed.

(g) *Exception for certain agreements.* (1) Section 29 (d) (2) of the Technical Amendments Act of 1958 provides as follows:

(d) *Effective date.*

* * * * *

(2) *Exception for certain agreements.* The amendments made by subsections (a), (b) (1), and (c) shall not apply if before the date of the enactment of this Act—

(A) The taxpayer applied for a change in the method of accounting in the manner provided by regulations prescribed by the Secretary of the Treasury or his delegate, and

(B) The taxpayer and the Secretary of the Treasury or his delegate agreed to the terms and conditions for making the change.

[Sec. 29 (d) (2), Technical Amendments Act of 1958 (72 Stat. 1629)]

(2) The amendments made to section 481 by section 29 (other than paragraphs 2 through 5 of subsection (b)) of the Technical Amendments Act of 1958 shall not apply if, before September 2, 1958, the taxpayer applied for a change in method of accounting in the manner provided by any Federal income tax regulation and the taxpayer and the Commissioner agreed to the terms and conditions for making the change.

(3) A taxpayer who, in accordance with any provision of the Internal Revenue Code or of any Federal income tax regulation permitting such action, elected to change his method of accounting with regard to one or more material items, such as research and experimental expenditures (section 174), soil and water conservation expenditures (section 175), last-in, first-out inventories (section 472), and exploration expenditures (section 615), and who satisfied the requirements of the regulations dealing with such elections, shall be treated for purposes of section 29 (d) (2) of the Technical Amendments Act of 1958 as a taxpayer who applied for and changed his method of accounting in the manner provided by regulations and who agreed to the terms and conditions for making the change.

§ 1.481–5 *Adjustments taken into account with consent.* (a) In addition to the methods of allocation described in section 481 (b), the adjustments required by section 481 (a) may be taken into account in computing the tax under chapter 1 for such taxable years, in such manner and subject to such conditions as may be agreed upon between the Commissioner and the taxpayer. See section 481 (c). Requests for approval of a method of allocation differing from those described in section 481 (b) shall be addressed to the Commissioner of Internal Revenue, Attention: T: R, Washington 25, D. C., and shall set forth in detail the facts and circumstances upon which the taxpayer bases his request. Permission will be granted only if the taxpayer and the Commissioner agree to the terms and conditions under which the allocation is to be effected.

(b) The agreement shall be in writing and shall be signed by the Commissioner and the taxpayer. It shall set forth the items to be adjusted, the amount of the adjustments, the taxable year or years for which the adjustments are to be taken into account, and the amount of the adjustments allocable to each such year. The agreement shall be binding on the parties except upon a showing of fraud, malfeasance, or misrepresentation of a material fact.

§ 1.481–6 *Election to return to former method of accounting.* (a) Section 29 (e) of the Technical Amendments Act of 1958 provides as follows:

(e) *Election to return to former method of accounting.*

(1) *Election.* Any taxpayer who for any taxable year beginning after December 31, 1953, and ending after August 16, 1954, and before the date of enactment of this Act,

computed his taxable income under a method of accounting different from the method under which his taxable income for the preceding taxable year was computed, may elect to recompute his taxable income, beginning with the taxable year for which taxable income was computed under such different method of accounting, under the method of accounting under which taxable income was computed for such preceding taxable year. An election under this paragraph shall be made within 6 months after the date of the enactment of this Act, and shall be made in such manner as the Secretary of the Treasury or his delegate may provide. This paragraph shall not apply to any taxpayer—

(A) To whom subsection (d) (2) applies, or

(B) Who was required, before the date of the enactment of this Act, by the Secretary of the Treasury or his delegate to change his method of accounting.

(2) *Statute of limitations.* If assessment of any deficiency for any taxable year resulting from an election under paragraph (1) is prevented on the date on which such election is made, or at any time within one year after such date, by the operation of any law or rule of law, such assessment may, nevertheless, be made if made within one year after such date. An election by a taxpayer under paragraph (1) shall be considered as a consent to the assessment pursuant to this paragraph of any such deficiency. If refund or credit of any overpayment of income tax resulting from an election under paragraph (1) is prevented on the date on which such election is made, or at any time within one year after such date, by the operation of any law or rule of law, refund or credit of such overpayment may, nevertheless, be made or allowed if claim therefor is filed within one year after such date.

[Sec. 29 (e), Technical Amendments Act of 1958 (72 Stat. 1629)]

(b) Except as provided in paragraph (e) of this section, a taxpayer who for any taxable year beginning after December 31, 1953, and ending after August 16, 1954, but before September 2, 1958, computed his taxable income under a method of accounting different from the method used for the immediately preceding taxable year may elect to recompute his taxable income, beginning with the taxable year for which such method was first used, under the method used for such preceding taxable year.

(c) The election referred to in paragraph (b) of this section must be filed on or before March 2, 1959, and shall be made in the following manner:

(1) The taxpayer shall file with the district director with whom he filed his income tax return for the taxable year of the change a statement to the effect that he elects to recompute his taxable income, beginning with the first taxable year for which he computed his taxable income under a method of accounting different from the preceding taxable year, under the method used for such preceding taxable year. The statement shall indicate the first taxable year for which taxable income was computed under a different method of accounting; and

(2) The taxpayer shall file amended income tax returns for all taxable years affected by the election with a statement attached thereto showing the recomputation of taxable income for such taxable years under the method of accounting which he used in computing taxable income for the taxable year immediately preceding the taxable year of the change. The taxpayer shall also compute the amount of deficiency or overassessment in tax resulting from such recomputation of taxable income.

(d) (1) If assessment of a deficiency for any taxable year resulting from an election under this section is prevented on the date on which the election is made, or at any time within one year after such date, by the operation of any law or rule of law, such assessment may, nevertheless, be made within one year after such date. An election under this section shall be considered as a consent to the assessment of any such deficiency.

(2) If refund or credit of any overpayment of income tax resulting from an election under this section is prevented on the date on which such election is made, or at any time within one year after such date, by the operation of any law or rule of law, refund or credit of such overpayment may, nevertheless, be made or allowed if a claim for such refund or credit is filed within one year after such date.

(e) An election under this section may not be made by a taxpayer—

(1) To whom paragraph (g) of § 1.481–4, relating to exception for certain agreements, applies, or

(2) Who was required, before September 2, 1958, by the Commissioner or district director to change his method of accounting.

For purposes of subparagraph (2) of this paragraph, a taxpayer, who on his own initiative, changed his method of accounting in order to conform to the requirements of any Federal income tax regulation or ruling shall not, merely because of such fact, be considered to be a taxpayer who was required, for purposes of section 481, to change his method of accounting.

[F. R. Doc. 58–10101; Filed, Dec. 5, 1958; 8:47 a. m.]

DEPARTMENT OF LABOR

Division of Public Contracts

[41 CFR Part 202]

NARROW FABRICS, CORDAGE AND TWINE, AND SURGICAL DRESSINGS INDUSTRY

NOTICE OF HEARING TO DETERMINE PREVAILING MINIMUM WAGES

Pursuant to the provisions of section 1 (b) of the Walsh-Healey Public Contracts Act (49 Stat. 2036, as amended; 41 U. S. C. 35) and section 4 (a) of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003), notice is hereby given that a public hearing to determine the prevailing minimum wages in the Narrow Fabrics, Cordage and Twine, and Surgical Dressings Industry will be held before a duly assigned Hearing Examiner on January 6, 1959, beginning at 10 a. m., in Room 1214, United States Department of Labor Building, 14th Street and Constitution Avenue NW., Washington, D. C.

For the purpose of this hearing the Narrow Fabrics, Cordage and Twine, and Surgical Dressings Industry is defined as that industry which manufactures narrow fabrics, cordage and twine, and surgical dressings including: (1) The manufacturing, processing, bleaching, dyeing, printing, or other finishing of woven fabrics (elastic or nonelastic) 12 inches or narrower in width made primarily of cotton, silk, or synthetic fiber (including glass), or mixtures of these fibers, except that fabrics consisting of mixtures of these fibers with wool or animal fiber (other than silk) are excluded if the fabric contains more than 25 percent by weight of wool or animal fiber (other than silk); (2) the manufacture or finishing of braid (elastic or nonelastic) from cotton, wool, silk, or synthetic fibers (including glass), or mixtures of these fibers; (3) the manufacture of cordage, rope or twine from any fiber or yarn, including the manufacture of paper yarn and twine; (4) the processing of any textile fabric made from the fibers enumerated in (1) above into bandages and surgical gauze, including compresses, pads, dressings, packs, adhesive plasters and tapes, and the manufacture of absorbent cotton and absorbent cotton products.

Any interested persons may appear at the time and place specified herein and submit evidence, views, and arguments as to the following subjects and issues: (1) The appropriateness of the proposed definition of the industry; (2) what are the prevailing minimum wages in the industry; (3) whether a single determination for all the area in which the industry operates or separate determinations for smaller geographic areas (including the appropriate limits for such areas) should be determined for this industry; and (4) whether there should be included in any determination for this industry provision for the employment of beginners at wages lower than the prevailing minimum wages and on what terms or limitations, if any, such employment should be permitted.

Employment and wage data in this industry for the payroll period ending nearest April 15, 1958, and data relating to the competition in this industry for Government contracts has been gathered by the Department of Labor. This information will be submitted for consideration at the hearing and is now available to interested persons upon request.

Written statements may be filed with the Chief Hearing Examiner at any time prior to the date of the hearing by persons who cannot appear personally. An original and three copies of any such statement shall be filed and shall include the reason or reasons for nonappearance. Such statement shall be under oath or affirmation, and will be offered in evidence at the hearing. If objection is made to the admission of any such statement, the Presiding Officer shall determine whether it will be received in evidence.

To the extent possible, the evidence of each witness and the sworn or affirmed statements of persons who cannot appear personally, should permit evaluation on a plant-by-plant basis, and state: (1) (a) The number and location of establishments in the industry to which

the testimony of such witness or such written statement is applicable, (b) the number of workers in each such establishment, (c) the minimum rates paid to covered workers and the number of covered workers at each such establishment receiving such rates and the occupations in which they are employed, (d) the minimum wages paid to beginners in each such establishment, the scale of wages paid during probationary periods, the length of such periods, the number of workers receiving such wages, and the occupations in which they are employed; (2) the identity of any product not now included in the definition of the industry which should be included and of any product now included which should not be included; (3) the geographic area or areas of competition for Government contracts within this industry; and (4) the changes in the minimum wages paid since April 15, 1958, for persons employed in this industry.

This hearing will be conducted pursuant to the rules of practice for minimum wage determinations under the Walsh-Healey Public Contracts Act codified in 41 CFR Part 203.

Signed at Washington, D. C. this 4th day of December 1958.

JAMES P. MITCHELL,
Secretary of Labor.

[F. R. Doc. 58-10173; Filed, Dec. 5, 1958; 9:17 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Office of the Secretary

[Dept. Circ. 570, Rev. Apr. 20, 1943, 1958. Supp. 196]

SKANDIA INSURANCE CO.

ACCEPTABLE REINSURING COMPANY ON FEDERAL BONDS

DECEMBER 3, 1958.

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company as a reinsuring company only on Federal bonds under Treasury Department Circular No. 297, July 15, 1922, as amended, 31 CFR Part 223. An underwriting limitation of $615,000.00 has been established for the company.

The Skandia Insurance Company, Stockholm, Sweden (U. S. Office, New York, New York).

[SEAL] JULIAN B. BAIRD,
Acting Secretary of the Treasury.

[F. R. Doc. 58-10111; Filed, Dec. 5, 1958; 8:48 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[GROUP NO. 12, WYOMING]

WYOMING

NOTICE OF FILING OF PLATS OF SURVEY AND ORDER PROVIDING FOR OPENING OF PUBLIC LANDS

DECEMBER 1, 1958.

1. Pursuant to authority delegated by Bureau of Land Management Order No. 541 dated April 21, 1954 (19 F. R. 2473), as amended, notice is hereby given that Group No. 12 of the Plats of Survey accepted December 26, 1956, will be officially filed in the Wyoming Land Office, Bureau of Land Management, 409 Federal Office Building, Cheyenne, Wyoming, effective 10:00 a. m., on January 13, 1959.

SIXTH PRINCIPAL MERIDIAN, WYOMING

A retracement of the Twelfth Auxiliary Meridian West through T. 15 N., a resurvey of the West boundary of T. 15 N., R. 100 W., a resurvey of a portion of the North boundary of section 6, T. 14 N., R. 100 W., designed to restore the corners in their original locations according to the best available evidence; and a survey of the North boundary and subdivisional lines.

T. 15 N., R. 100½ W.,
Sec. 1, Lots 1, 2, 3, 4;
Sec. 12, Lots 1, 2, 3, 4;
Sec. 13, Lots 1, 2, 3, 4;
Sec. 24, Lots 1, 2, 3, 4;
Sec. 25, Lots 1, 2, 3, 4;
Sec. 36, Lots 1, 2, 3, 4.

A resurvey of the West boundary of T. 16 N., R. 100 W., and the East boundary of T. 16 N., R. 101 W., designed to restore the corners in their original locations according to the best available evidence, and a survey of the subdivisional lines of T. 16 N., R. 100½ W.

T. 16 N., R. 100½ W.,
Sec. 1, Lots 1, 2, 3, 4, 5;
Sec. 12, Lots 1, 2, 3, 4;
Sec. 13, Lots 1, 2, 3, 4;
Sec. 24, Lots 1, 2, 3, 4;
Sec. 25, Lots 1, 2, 3, 4;
Sec. 36, Lots 1, 2, 3, 4.

Within the above described lands are 904.34 acres of public domain.

2. Except for and subject to valid existing rights, it is presumed that title to the following lands passed to the State of Wyoming upon acceptance of the above mentioned plat of survey:

T. 15 N., R. 100½ W.,
Sec. 36, Lots 1, 2, 3, 4.
T. 16 N., R. 100½ W.,
Sec. 36, Lots 1, 2, 3, 4.

The areas described above aggregate 128.42 acres.

3. The following described lands are open to application location, selection and petition as outlined below. No application for these lands will be allowed under the Homestead, Desert Land, Small Tract or any other non-mineral public land laws, unless the lands have already been classified upon consideration of an application. The lands have been subject to operation of the United States Mining Laws and Mineral Leasing Laws at all times. The lands will not be subject to occupancy until they have been classified:

SIXTH PRINCIPAL MERIDIAN, WYOMING

T. 15 N., R. 100½ W.,
Sec. 1, Lots 1, 2, 3, 4;
Sec. 12, Lots 1, 2, 3, 4;
Sec. 13, Lots 1, 2, 3, 4;
Sec. 24, Lots 1, 2, 3, 4;
Sec. 25, Lots 1, 2, 3, 4.
T. 16 N., R. 100½ W.,
Sec. 1, Lots 1, 2, 3, 4, 5;
Sec. 12, Lots 1, 2, 3, 4;
Sec. 13, Lots 1, 2, 3, 4;
Sec. 24, Lots 1, 2, 3, 4;
Sec. 25, Lots 1, 2, 3, 4.

The areas described above aggregate 904.34 acres.

4. The lands are located approximately 15 miles southwest of Bitter Creek and 50 miles southeast of Green River, Wyoming. They are rough and mountainous and cut by deep washes. Elevations vary from 7,500 feet to 8,000 feet. The soil is a heavy clay, low in organic matter and supports a sparse desert type vegetation with a limited grazing value. A few scattered juniper trees of no commercial value occur. Precipitation averages from 5 to 7 inches annually.

5. Subject to any existing valid rights and the requirements of applicable law, the lands described in paragraph 3 hereof, are hereby opened to filing of applications, selections, and locations in accordance with the following:

a. Applications and selections under the non-mineral public land laws presented to the Manager mentioned below, beginning on the date of this order. Such applications, selections, and offers will be considered as filed on the hour and respective dates shown for the various classes enumerated in the following paragraphs:

(1) Applications by persons having prior existing valid settlement rights, preference rights conferred by existing laws, or equitable claims subject to allowance and confirmation will be adjudicated on the facts presented in support of each claim or right. All applications presented by persons other than those referred to in this paragraph will be subject to the applications and claims mentioned in this paragraph.

(2) All valid applications under the Homestead, Desert Land, and Small Tract Laws by qualified veterans of World War II or of the Korean Conflict, and others entitled to preference rights under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284 as amended), presented prior to 10:00 a. m., on January 13, 1959, will be considered as simultaneously filed at that hour. Rights under such preference right applications filed after that hour and before 10:00 a. m. on April 14, 1959, will be governed by the time of filing.

(3) All valid applications and selections under the non-mineral public land laws, other than those coming under paragraphs (1) and (2) above, presented prior to 10:00 a. m. on April 14, 1959, will be considered as simultaneously filed at that hour. Rights under such applications and selections filed after that hour will be governed by the time of filing.

6. Persons claiming veterans' preference rights under paragraph 5 (a) (2) above, must enclose with their applications proper evidence of military or naval service, preferably a complete photostatic copy of the certificate of honorable discharge. Persons claiming preference rights based upon valid settlement, statutory preference, or equitable claims must enclose properly corroborated statements in support of their applications, setting forth all facts relevant to their claims. Detailed rules and regulations governing applications which may be filed pursuant to this notice can be found in Title 43 of the Code of Federal Regulations.

CRAIG A. DECKER,
Manager.

[F. R. Doc. 58-10100; Filed, Dec. 5, 1958; 8:46 a. m.]

Geological Survey

[Power Site Classification 157, Modification 427]

MILL CREEK (UMPQUA), OREGON

Pursuant to authority vested in me by the act of March 3, 1879 (20 Stat. 394; 43 U. S. C. 31), and by Departmental Order No. 2333 of June 10, 1947 (43 CFR 4.623; 12 F. R. 4025), Power Site Classification No. 157, approved December 4, 1926, is hereby modified to the extent necessary to permit the County Court of Douglas County, Oregon, to obtain a grant of right-of-way under the act of July 26, 1866 (section 2477, United States Revised Statutes; 43 U. S. C. 932) for a county road over the affected portions of the following described lands:

WILLAMETTE MERIDIAN, OREGON

T. 23 S., R. 10 W.,
Sec. 1, lots 17 and 18;
Sec. 2, lots 14 and 15.

Dated: December 2, 1958.

THOMAS B. NOLAN,
Director.

[F. R. Doc. 58-10113; Filed, Dec. 5, 1958; 8:48 a. m.]

DEPARTMENT OF AGRICULTURE

Commodity Stabilization Service

DEPUTY ADMINISTRATOR, PRODUCTION ADJUSTMENT

DELEGATION OF AUTHORITY

Pursuant to the authority vested in me by the setoff regulations published in the FEDERAL REGISTER, dated May 30, 1958 (23 F. R. 3757) and the delegation of authority to authorize setoff published in the FEDERAL REGISTER, dated August 5, 1958 (23 F. R. 5931), the Deputy Administrator, Production Adjustment, Commodity Stabilization Service, is hereby authorized, as my designee, to:

1. Specifically authorize setoff pursuant to § 13.3 (e) of such setoff regulations.

2. Receive requests for setoff as provided in § 13.4 (d) of such setoff regulations.

3. Issue such forms and procedures as may be required from time to time as provided in § 13.8 of such setoff regulations.

Issued this 2d day of December 1958.

[SEAL] CLARENCE L. MILLER,
Acting Administrator,
Commodity Stabilization Service.

[F. R. Doc. 58-10129; Filed, Dec. 5, 1958; 8:51 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[Docket No. 846]

CLASSIFICATION OF PAPER PRODUCTS BY DAIRYPAK, AUERBACH AND LOPEZ

NOTICE OF INVESTIGATION, CONSOLIDATION AND RESCHEDULING OF HEARINGS

On December 1, 1958, the Federal Maritime Board entered the following order:

Whereas, Grace Line Inc. (Grace) and C. A. Venezolana de Navegacion (Venezuela Line) have each filed with the Federal Maritime Board a petition praying for issuance of a declaratory order pursuant to Rule 5 of the Board's rules of practice and procedure or, in the alternative, for an investigation under section 22 of the Shipping Act, 1916 (46 U. S. C. 821) of alleged violations of section 16 of said act (46 U. S. C. 815) by Dairypak, Incorporated (Dairypak), Reinhold A. Auerbach, Inc. (Auerbach), and G. A. Lopez Forwarding and Shipping Co., Inc. (Lopez) in knowingly and willfully misclassifying container blanks as "pulpboard boxes kdf" for the purpose of obtaining transportation of such materials from U. S. Atlantic ports to Venezuela at less than the rates which would otherwise be applicable; and

Whereas, Both petitioners allege that because of the aforementioned misclassifications they are subjected to reparation proceedings before the Board by Gillespie and Company of New York, Inc. (Gillespie) whose shipments of container blanks were properly classified; and

Whereas, It appears from information before the Board that materials shipped by Dairypak, Auerbach and Lopez were similar to those shipped by Gillespie, the classification of which is at issue in three proceedings pending before the Board, namely, Docket No. 837, Gillespie & Co. of N. Y., Inc. v Grace Line, Inc.; Docket No. 838, Gillespie & Co. of N. Y., Inc., v. C. A. Venezolana de Navegacion; and Docket No. 839, Gillespie & Co., of N. Y. Inc. v North Atl. & Gulf S. S. Co.;

Therefore it is ordered, That the aforesaid petitions for an investigation of alleged violations of section 16 of the Shipping Act, 1916 (46 U. S. C. 815) by Dairypak, Auerbach, and Lopez be, and they hereby are, granted; and

It is further ordered, That Dairypak, Auerbach, and Lopez be, and they hereby are, made respondents in this proceeding; and

It is further ordered, That this proceeding be consolidated with aforesaid Dockets 837, 838, and 839 for hearing before an Examiner of the Board; and

It is further ordered, That the Petition for a Declaratory Order be, and it hereby is, denied; and

It is further ordered, That a copy of this order be served on each of the respondents and petitioners named herein, and published in the FEDERAL REGISTER.

Pursuant to the above order, notice is hereby given that the hearing herein ordered will be heard with consolidated Dockets Nos. 837, 838 and 839, which are hereby rescheduled for hearing before an examiner of the Board's Hearing Examiners' Office, beginning at 10:00 a. m., January 20, 1959, in Room 705, 45 Broadway, New York, N. Y. The hearing will be conducted in accordance with the Board's rules of practice and procedure, and a recommended decision will be issued by the examiner.

All persons (including individuals, corporations, associations, firms, partnerships and public bodies), having an interest in these proceedings and desiring to intervene therein, should notify the Secretary of the Board promptly, and file petitions for leave to intervene in accordance with Rule 5 (n) (46 CFR 201.74) of said rules.

Dated: December 3, 1958.

By order of the Federal Maritime Board.

[SEAL] GEO. A. VIEHMANN,
Assistant Secretary.

[F. R. Doc. 58-10123; Filed, Dec. 5, 1958; 8:49 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 7277]

MOHAWK FUTURE FINAL MAIL RATE CASE

NOTICE OF PREHEARING CONFERENCE

Notice is hereby given that a prehearing conference on the above-entitled case (see Order No. E-12917) is assigned to be held on December 17, 1958, at 10:00 a. m., e. s. t., in Room E-210, Temporary Building No. 5, 16th Street and Constitution Avenue NW., Washington, D. C., before Examiner Leslie G. Donahue.

Dated at Washington, D. C., December 3, 1958.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 58-10130; Filed, Dec. 5, 1958; 8:51 a. m.]

[Docket No. 8130]

CURREY AIR TRANSPORT ENFORCEMENT PROCEEDING

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 investigation is assigned to be held on January 7, 1959, at 10:00 a. m., e. s. t., in Room 5042, Commerce Building, 14th Street and Constitution Avenue NW., Washington, D. C., before the Board.

Dated at Washington, D. C., December 3, 1958.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F. R. Doc. 58-10131; Filed, Dec. 5, 1958; 8:51 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 12621, 12622; FCC 58M-1377]

JEANNETTE BROADCASTING CO. AND CARNEGIE BROADCASTING CO.

ORDER CONTINUING HEARING

In re applications of John J. Keel and Lloyd W. Dennis, Jr., d/b as Jeannette Broadcasting Company, Jeannette, Pennsylvania, Docket No. 12621, File No. BP-11543; Hoyt C. Murphy and G. Russell Chambers, d/b as Carnegie Broadcasting Company, Carnegie, Pennsylvania, Docket No. 12622, File No. BP-11863; for construction permits.

Pursuant to pre-hearing conference held this date, and with the concurrence of all counsel in this proceeding: *It is ordered*, This 1st day of December 1958, that a further pre-hearing conference in this proceeding will be held on February 16, 1959, in the Commission's offices, Washington, D. C. at 10:00 o'clock a. m., and: *It is further ordered*, That the hearing now scheduled herein for December 8, 1958, be, and the same is hereby, continued without date.

Released: December 2, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 58-10117; Filed, Dec. 5, 1958; 8:49 a. m.]

[Docket No. 12663]

FREDERICK FRANKLIN MOORE

ORDER DESIGNATING MATTER FOR HEARING ON STATED ISSUES

In the matter of Frederick Franklin Moore, 6110 S. Orange Blossom Trail, Orlando, Florida, Docket No. 12663; Suspension of Radiotelephone First-Class Operator License.

The Commission having under consideration the suspension of Radiotelephone First-Class Operator License, No. P1-7-1219, issued to Frederick Franklin Moore, whose address appears above; and

It appearing that acting in accordance with the provisions of section 303 (m) (2) of the Communications Act of 1934, as amended, the above-named party filed with the Commission a timely request for hearing on the Commission's order of June 30, 1958 suspending for a period of three months his Radiotelephone First-Class Operator License; and

It further appearing that under the provisions of section 303 (m) (2) of the Communications Act of 1934, as amended, the said licensee is entitled to a hearing in this matter and that upon the filing of a timely written application therefor, the Commission's order of suspension is held in abeyance until the conclusion of the proceeding in this matter.

It is ordered, This 2d day of December 1958 that the matter of the suspension of the Radiotelephone First-Class Operator License of Frederick Franklin Moore is hereby designated for hearing at a time and place before a hearing examiner to be specified by further Order, upon the following issues:

1. To determine whether Frederick Franklin Moore violated section 301 of the Communications Act of 1934, as amended, in that on or about May 8, 1958 he used apparatus for the transmission of energy or communications or signals by radio which was not licensed by the Commission, on the premises of the Duval Propane Gas Company, 5923 Soutel Drive, Jacksonville, Florida.

2. To determine whether Frederick Franklin Moore violated section 301 of the Communications Act of 1934 in that on or about May 8, 1958 he used apparatus for the transmission of energy or communications or signals by radio which was not licensed by the Commission on five motor vehicles of the Duval Propane Gas Company as mobile stations.

3. In the light of the evidence adduced in the preceding issues to determine whether the terms of the original Order of Suspension should be made final, rescinded, or modified.

It is further ordered, That a copy of this order be transmitted by Certified Mail, Return Receipt Requested, to Frederick Franklin Moore and that he notify the Commission in writing within 10 days after the receipt of this order that he will appear in person or by counsel at said hearing.

Released: December 4, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 58-10118; Filed, Dec. 5, 1958; 8:49 a. m.]

[Docket No. 12686; FCC 58M-1364]

FAYETTEVILLE BROADCASTING CO., INC. (KHOG)

ORDER SCHEDULING HEARING

In re application of Fayetteville Broadcasting Company, Inc. (KHOG), Fayetteville, Arkansas, Docket No. 12686, File No. BP-11324; for construction permit.

It is ordered, This 28th day of November 1958, that Millard F. French will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on February 3, 1959, in Washington, D. C.

Released: December 3, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 58-10119; Filed, Dec. 5, 1958; 8:49 a. m.]

[Docket No. 12688; FCC 58M-1366]

SOUTHERN GENERAL BROADCASTING CO., INC. (WTRO)

ORDER SCHEDULING HEARING

In re application of Southern General Broadcasting Company, Inc., (WTRO), Dyersburg, Tennessee, Docket No. 12688, File No. BP-11422; for construction permit.

It is ordered, This 28th day of November 1958, that Elizabeth C. Smith will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on February 9, 1959, in Washington, D. C.

Released: December 3, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 58-10120; Filed, Dec. 5, 1958; 8:49 a. m.]

[Docket No. 12690, FCC 58M-1367]

LOS BANOS BROADCASTING CO.

ORDER SCHEDULING HEARING

In re application of James H. Rose, tr/as Los Banos Broadcasting Company, Los Banos, California, Docket No. 12690, File No. BP-11874; for construction permit.

It is ordered, This 28th day of November 1958, that Forest L. McClenning will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on February 9, 1959, in Washington, D. C.

Released: December 3, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 58-10121; Filed, Dec. 5, 1958; 8:49 a. m.]

[Docket Nos. 12691, 12692; FCC 58M-1368]

DALE W. FLEWELLING AND KROY, INC.

ORDER SCHEDULING HEARING

In re applications of Dale W. Flewelling, Sacramento, California, Docket No. 12691, File No. BPH-2389; Kroy, Inc., Sacramento, California, Docket No. 12692, File No. BPH-2395; for construction permits for new FM stations.

It is ordered, This 28th day of November 1958, that Isadore A. Honig will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on February 9, 1959, in Washington, D. C.

Released: December 3, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 58-10122; Filed, Dec. 5, 1958; 8:49 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-4859]

NEIL C. MATHEWS

NOTICE OF APPLICATION AND DATE OF HEARING

DECEMBER 1, 1958.

Take notice that Mr. Neil C. Mathews (Applicant), an independent producer, with his principal place of business in Athens, Ohio, filed an application on November 15, 1954, for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act authorizing the sale in interstate commerce of natural gas produced in Chester and Sutton Townships, Meigs County, Ohio, to The Ohio Fuel Gas Company for resale, all as more fully represented in the application which is on file with the Commission and open to public inspection.

Take further notice that Applicant filed on August 30, 1955, a letter advising that the only well subject to the Commission's jurisdiction, because of its age and small productivity, has been abandoned, and requested cancellation of the subject application. Such request has been construed as an amendment to the above application requesting authorization to abandon the service pursuant to section 7 (b) of the Natural Gas Act. Service was commenced prior to June 7, 1954.

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 December 29, 1958 at 9:30 a. m., e. 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: *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 be unnecessary 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 December 22, 1958. 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] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58-10091; Filed, Dec. 5, 1958; 8:45 a. m.]

[Docket No. G-16466, etc.]

TRANSCONTINENTAL GAS PIPE LINE CORP. AND TEXAS GAS TRANSMISSION CORP.

NOTICE OF APPLICATIONS AND DATE OF HEARING

DECEMBER 1, 1958.

In the matters of Transcontinental Gas Pipe Line Corporation, Docket No. G-16466; Texas Gas Transmission Corporation, Docket No. G-16553; Transcontinental Gas Pipe Line Corporation, Docket No. G-16695.

Take notice that on September 30, 1958, Transcontinental Gas Pipe Line Corporation (Transco), filed an application, as supplemented on October 6 and October 31, 1958 (Docket No. G-16466), for a certificate of public convenience and necessity, pursuant to section 7 (c) of the Natural Gas Act, for authorization to sell and deliver to several of its existing customers volumes of gas under its applicable LTF (limited term firm) rate schedules for the period of one year from November 1, 1958, through November 1, 1959, as set forth in the following table:

Customer	Rate schedule	Term of service		Volumes [1]
		From	To	
Consolidated Edison Co., Inc., of N. Y.	LTF-3	Nov. 1, 1958	[2]	20,000
		[2]	May 1, 1959	30,000
		May 1, 1959	Nov. 1, 1959	25,000
Public Service Electric & Gas Co. of N. J.	LTF-3	Nov. 1, 1958	[2]	15,000
		[2]	May 1, 1959	5,000
		May 1, 1959	Nov. 1, 1959	10,000
Subtotal for Consolidated Edison and Public Service combined.				35,000
Long Island Lighting Co.	LTF-3	Nov. 1, 1958	Nov. 1, 1959	5,000
Delaware Power & Light Co.	LTF-3	do	do	2,000
Piedmont Natural Gas Co., Inc.	LTF-2	do	do	3,000
Public Service Co. of N. C.	LTF-2	do	do	2,000
City of Danville, Va.	LTF-2	do	do	1,000
Total				50,000

[1] Mcf at 14.7 psia.
[2] This period will end or begin, as the case may be, with the commencement of deliveries by Transco to Public Service of New Jersey of 15,000 Mcf per day of the increased allocation of CD gas authorized by the Commission in its Opinion No. 315 issued September 4, 1958, in the Matters of Transcontinental Gas Pipe Line Corporation, et al., Docket Nos. G-13143, et al.

Transco submits that it will have pipeline capacity available for the LTF deliveries to the seven customers because some of its customers will not require their full presently authorized allocations during the year ending November 1, 1959. In some cases, the facilities which these other customers must construct to take the gas have not yet been built, and in other cases the service has commenced but the customers are not expected to call for their full allocations because of the slow build-up in market. Transco estimates that of some 152,326 Mcf per day allocations to 15 of its customers, only 81,996 Mcf are expected to be required during the period ending November 1, 1959, leaving 70,330 Mcf of pipeline capacity available for other service such as that proposed herein. Additional capacity is temporarily available during the warmer months due to the low rate of takes of customers in Zones 1 and 2, the southern areas of the system. Accordingly, no additional facilities or investments are proposed to render the LTF service.

The application of Transco, as supplemented, recites that the LTF service proposed was offered to all its contract demand customers, except two, which have not yet taken their full present contract demand allocations. Only seven requested the service. Its general service customers were not offered the service because their load factors indicated they could not benefit economically therefrom.

On October 13, 1958, Texas Gas Transmission Corporation (Texas Gas), filed an application in Docket No. G-16553, for a certificate of public convenience and necessity, authorizing the construction and operation of certain additions to its natural gas facilities in Evangeline Parish, Louisiana, for the purpose of making a short-term sale of interruptible gas to Transco. Texas Gas proposes to construct and operate the following facilities:

(1) An 8-inch single-tube orifice meter station and flow control approximately 7½ miles north of its Eunice, Louisiana, dehydration plant on its 26-inch Eunice-Bastrop pipeline.

(2) Approximately 1,500 feet of 6⅝ inch O. D. line, including 6-inch side valves, connecting its meter station to Transco's main line near Eunice.

The cost of Texas Gas' proposed facilities is estimated to be $31,800, which will be defrayed from company funds.

Transco filed a companion application on October 22, 1958 in Docket No. G-16695 for a certificate of public convenience and necessity, pursuant to section 7 (c) of the Natural Gas Act authorizing the construction and operation of a 12-inch tap connection on its line at an estimated cost of $3,911, to receive gas from Texas Gas.

Temporary authorization as to the proposed construction and sales has been granted to Texas Gas and Transco.

These related matters should be heard on a consolidated record 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 December 31,

1958, at 9:30 a. m., e. 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 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) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants 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 December 22, 1958. 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] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-10092; Filed, Dec. 5, 1958; 8:45 a. m.]

[Docket No. G-17074, etc.]

HARRELL DRILLING CO. ET AL.

ORDER FOR HEARINGS AND SUSPENDING PROPOSED CHANGES IN RATES

DECEMBER 2, 1958.

In the matters of Harrell Drilling Company, Docket No. G-17074; Claud B. Hamill, Docket No. G-17075; Tidewater Oil Company, Docket No. G-17076; Albert C. Plummer, Docket No. G-17077; Sunray Mid-Continent Oil Company (Operator) et al., Docket No. G-17078; J. A. Gray et al., Docket No. G-17079; Stephen C. Clark et al., Docket No. G-17080; Christie, Mitchell & Mitchell Company (Operator) et al., Docket No. G-17081; Christie, Mitchell & Mitchell Company, Docket No. G-17082; C. Rampy et al., Docket No. G-17083; Blanco Oil Company, Docket No. G-17084; Pan American Petroleum Company, Docket No. G-17085; Phillips Petroleum Company (Operator) et al., Docket No. G-17086.

The thirteen afore-named Respondents have tendered nineteen Notices of Change [1] which propose increased rates and charges in their presently effective rate schedules relating to sales of natural gas subject to the jurisdiction of the Commission. All Respondents, with the exception of Pan American Petroleum Corporation, propose an effective date of January 1, 1959. Pan American requests that its filings be permitted to become effective as of December 8, 1958. Tennessee Gas Transmission Company is the purchaser under each rate schedule.

The natural gas which is the subject of Respondents' instant tenders is produced from various fields in Victoria, Calhoun and Refugio Counties in Texas Railroad District No. 2 and in Wharton, Matagorda, Harris, Colorado, Montgomery and Austin Counties in Texas Railroad District No. 3. Said Notices of Change were filed and designated as hereinafter tabularly shown.

Respondent	Rate schedule No.	Rate schedule Supp. No.	Notice of change dated	Date tendered
1. Harrell Drilling Co.	1	3	(2)	Oct. 24, 1958
2. Claud B. Hamill	4	5	Oct. 25, 1958	Oct. 28, 1958
3. Claud B. Hamill	1	10	(2)	Oct. 31, 1958
4. Tidewater Oil Co.	13	17	Oct. 23, 1958	Oct. 27, 1958
5. Albert C. Plummer	1	2	Oct. 24, 1958	Do.
6. Sunray Mid-Continent Oil Co. (Operator), et al.	5	11	Oct. 27, 1958	Oct. 30, 1958
7. Sunray Mid-Continent Oil Co. (Operator), et al.	6	4	do	Do.
8. J. A. Gray, et al.	1	1	Oct. 21, 1958	Do.
9. Stephen C. Clark, et al.	1	2	Oct. 29, 1958	Oct. 31, 1958
10. Stephen C. Clark, et al.	2	1	do	Do.
11. Christie, Mitchell & Mitchell Co. (Operator), et al.	14	3	do	Do.
12. Christie, Mitchell & Mitchell Co.	6	6	do	Do.
13. Christie, Mitchell & Mitchell Co.	5	6	May 12, 1958	Do.
14. Christie, Mitchell & Mitchell Co.	5	7	Oct. 29, 1958	Do.
15. C. Rampy, et al.	1	3	Oct. 28, 1958	Do.
16. Blanco Oil Co.	3	4	Nov. 3, 1958	Nov. 3, 1958
17. Pan American Petroleum Corp.	83	21	Oct. 29, 1958	Do.
18. Pan American Petroleum Corp.	73	9	do	Do.
19. Phillips Petroleum Co. (Operator), et al.	34	6	Oct. 31, 1958	Do.

[2] Undated.

In support of the proposed redetermined rate increases Respondents state that such are predicated upon contractual covenants which provide for price redeterminations at this time and that the prices proposed are equal to the average of the three highest currently being charged within the applicable railroad districts. Respondents also state such levels are not in excess of the fair market price for gas of like quality in the same respective areas.

Added support for the increased prices is set out by certain of the Respondents. Pan American cites the testimony of Dr. J. Rhoades Foster in Docket No. G-9277, states that the price of gas is less than that of other competitive fuels and that gas, as a commodity, must have its price established in a competitive market. Phillips incorporates by reference its Exhibit Nos. 282, 284 and 324 in Docket No. G-1148, *et al.* Sunray states that the proposed rates are not only just and reasonable but that the energy value of natural gas is greatly in excess of the price proposed. Clark, Christie, *et al.* and Gray allege that added revenues are needed to provide a fair rate of return. Harrell, Hamill, Rampy and Pan American state that the increased rates are necessary to meet rising costs.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the several proposed changes and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), public hearings be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the several proposed increased rates and charges contained in the above-designated supplements.

(B) Pending hearings and decision thereon, the aforesaid supplements which were tendered by Pan American Petroleum Corporation are hereby suspended until May 8, 1959, and thereafter until each is made effective in the manner prescribed by the Natural Gas Act and the supplements which were tendered by all other Respondents named herein are hereby suspended until June 1, 1959, and thereafter until each is made effective in the manner prescribed by the Natural Gas Act.

(C) None of the several supplements hereby suspended, nor the rate schedules sought to be altered thereby shall be changed until the relevant proceeding has been disposed of or until the applicable period of suspension has expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by § 1.8 or 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.37 (f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-10093; Filed, Dec. 5, 1958; 8:45 a. m.]

[Docket No. G-13078]

CALIFORNIA CO.

NOTICE OF APPLICATION AND DATE OF HEARING

DECEMBER 2, 1958.

Take notice that The California Company (Applicant) an independent producer with its principal place of business in New Orleans, Louisiana, filed on August 16, 1957, an application for a certificate of public convenience and necessity, pursuant to section 7 (c) of the

[1] This omnibus order does not provide for the consolidation for hearing or disposition of the several matters which are the subject of this order, nor should it be so construed.

Natural Gas Act, authorizing Applicant to sell gas as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open to public inspection.

Applicant proposes to sell natural gas produced from the Simon Pass Field, St. Martin Parish, Louisiana, to Mississippi River Fuel Corporation for transportation in interstate commerce for resale. The gas sale contract, dated May 1, 1957, is on file with the Commission as Applicant's FPC Gas Rate Schedule No. 6.

Applicant received temporary authorization on November 6, 1957, to commence deliveries of gas under said contract.

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 January 13, 1959 at 9:30 a. m., e. 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 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) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary 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 January 6, 1959. 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 therefore is made.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-10094; Filed, Dec. 5, 1958; 8:45 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Secretary

STATEMENT OF ORGANIZATION AND DELEGATION OF AUTHORITY

RESERVATION OF AUTHORITY

The Statement of Organization and Delegations of Authority of the Department (22 F. R. 1045) is amended by changing section 10.30 *Reservation of authority* to read as follows:

SEC. 10.30 *Reservation of authority.* Notwithstanding the provisions of section 2.50 (a) (3), the Commissioner of Food and Drugs is authorized to promulgate necessary rules and regulations authorized by the statutes set forth in section 10.20 (1), and (2), except that final rules and regulations pursuant to 408 (d) (5), 409 (f) (1), 507 (f) and 701 (e) (3) of the Federal Food, Drug, and Cosmetic Act as amended, shall be approved by the Secretary.

Dated: December 3, 1958.

[SEAL] ARTHUR S. FLEMMING, *Secretary.*

[F. R. Doc. 58-10107; Filed, Dec. 5, 1958; 8:48 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 1-3145]

CESSNA AIRCRAFT CO.

NOTICE OF APPLICATION TO WITHDRAW FROM LISTING AND REGISTRATION, AND OF OPPORTUNITY FOR HEARING

DECEMBER 2, 1958.

In the matter of Cessna Aircraft Company, common stock, File No. 1-3145.

The above named issuer, pursuant to section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 (b) promulgated thereunder, has made application to withdraw the specified security from listing and registration on the Pacific Coast Stock Exchange.

The reasons alleged in the application for withdrawing this security from listing and registration include the following:

This application is made by reason of the small volume therein on the Pacific Coast Stock Exchange, stated to be less than one percent of that on the New York Stock Exchange, where the stock remains listed. The issuer does not believe the Pacific Coast listing is of any material benefit to its stockholders and desires to avoid payment of the Exchange's annual listing fee.

Upon receipt of a request, on or before December 17, 1958, from any interested person for a hearing in regard to terms to be imposed upon the delisting of this security, the Commission will determine whether to set the matter down for hearing Such request should state briefly the nature of the interest of the person requesting the hearing and the position he proposes to take at the hearing with respect to imposition of terms. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington 25, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application and other information contained in the official file of the Commission pertaining to the matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58-10102; Filed, Dec. 5, 1958; 8:47 a. m.]

INTERSTATE COMMERCE COMMISSION

[Notice 57]

MOTOR CARRIER TRANSFER PROCEEDINGS

DECEMBER 3, 1958.

Synopses of orders entered pursuant to section 212 (b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17 (8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 61495. By order of November 25, 1958, the Transfer Board approved the transfer to Paul Doege, Tonganoxie, Kansas, of a certificate in No. MC 106276 issued May 21, 1953, to C. D. Mills, Tonganoxie, Kansas, authorizing the transportation of specified commodities from Kansas City, Mo., and intermediate and off-route points in Missouri in the Kansas City, Mo.-Kansas City, Kans., Comercial Zone as defined by the Commission, to Tonganoxie, Kansas, and intermediate and off-route points within ten miles of Tonganoxie, over U. S. Highway 24, and specified commodities on the return trip. Mr. E. M. Hickman, Lawrence Traffic Bureau, Motor Carrier Tariff Publishing Agency, 625 Live Stock Exchange, Kansas City 2, Missouri.

No. MC-FC 61512. By order of November 25, 1958, the Transfer Board approved the transfer to Bob Flagg, Poplar Bluff, Mo., of certificates in Nos. MC 20135 Sub 3, and MC 20135 Sub 4, issued October 6, 1952 and April 9, 1956, respectively, to Morrison Transfer Co., Inc., Sparta, Illinois, authorizing the transportation of: *Magazines* and *covers therefor*, and *advertising pamphlets and booklets*, between Sparta, Ill., on the one hand, and, on the other, New York, N. Y., and points within 25 miles thereof. A. A. Marshall, 305 Buder Building, St. Louis 1, Mo., for applicants.

No. MC-FC 61613. By order of November 25, 1958, the Transfer Board approved the transfer to Dale Hitz, Laverne Gast, and Viola Retzlaff, a partnership, doing business as Pierce Film Service, Pierce, Nebr., of certificate in No. MC 107473, issued September 7, 1949, to Dale Hitz and Rosabelle Hitz, a partnership, doing business as Pierce Film Service, Pierce, Nebr., authorizing the transportation of: *Motion picture films, repairs* and *supplies, magazines* and *motion picture advertising*, between specified points in Nebraska and South Dakota. C. A. Ross, 1004-5 Trust Building, Lincoln 8, Nebr., for applicants.

No. MC-FC 61620. By order of November 25, 1958, the Transfer Board approved the transfer to Rose Singer, doing business as Jack Singer Moving, Brooklyn, New York, of certificate in

No. MC 74979, issued January 5, 1954, to Montgomery Moving & Storage Warehouse, Inc., Brooklyn, New York, authorizing the transportation of: *Household goods*, between New York, N. Y., on the one hand, and, on the other, points in Connecticut, New Jersey, and Pennsylvania. Morris Honig, 150 Broadway, New York 38, N. Y., for applicants.

No. MC-FC 61659. By order of November 24, 1958, the Transfer Board approved the transfer to Piazza Bros. Greenwood Vans, Inc., Brooklyn, N. Y., of Certificate No. MC 93023, issued September 19, 1955, to Joseph Piazza, John Piazza, and Paul Piazza, a partnership, doing business as Piazza Bros., Brooklyn, N. Y., authorizing the transportation of household goods, over irregular routes, between New York, N. Y., on the one hand, and, on the other, all points in Connecticut and New Jersey, and points in described portions of New York and Pennsylvania. Morris Honig, 150 Broadway, New York 38, New York, for applicants.

No. MC-FC 61670. By order of November 25, 1958, the Transfer Board approved the transfer to Jordan Enterprises, Inc., Montgomery, Alabama, certificates in Nos. MC 105726 and MC 105726 Sub 4, issued June 20, 1946, and June 25, 1954, to G. T. Miller, Luverne, Alabama, authorizing the transportation of specified commodities, from, to, and between specified points in Alabama, Florida, Georgia, Missouri, Illinois, and Texas. Hugh R. Williams, 2284 West Fairview Avenue, Montgomery, Alabama.

No. MC-FC 61727. By order of November 25, 1958, the Transfer Board approved the transfer to Eddy Moving & Storage Co., Inc., Port Chester, New York, of a certificate in No. MC 94901, issued March 21, 1941, to Madelon R. Plant, doing business as Eddy's Express, Port Chester, New York, authorizing the transportation of general commodities, between Port Chester, N. Y., and points in New York and Connecticut within 10 miles of Port Chester; apples, pears, and peaches, from Greenwich, Conn., to New York, N. Y.; and household goods, as defined by the Commission, between points in Westchester County, N. Y., and those in Connecticut within 10 miles of Port Chester, N. Y., on the one hand, and, on the other, points in New York, Connecticut, Massachusetts, Rhode Island, and New Jersey. Irving Abrams, Brodsky and Lieberman, 1776 Broadway, New York 19, N. Y.

[SEAL] HAROLD D. McCOY,
Secretary.

[F. R. Doc. 58-10103; Filed, Dec. 5, 1958; 8:47 a. m.]

EUGENE S. ROOT

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

Pursuant to subsection 302 (c), Part III, Executive Order 10647 (20 F. R. 8769) "Providing for the Appointment of Certain Persons under the Defense Production Act of 1950, as amended", I hereby furnish for filing with the Division of the Federal Register for publication in the FEDERAL REGISTER the following information showing any changes in my financial interests and business connections as heretofore reported and published (20 F. R. 10086; 21 F. R. 3475; 21 F. R. 9198; 22 F. R. 3777; 22 F. R. 9450; 23 F. R. 3798) during the six months' period ended November 10, 1958.

Nothing to report.

Dated: November 10, 1958.

EUGENE S. ROOT.

[F. R. Doc. 58-10104; Filed, Dec. 5, 1958; 8:47 a. m.]

KEITH H. LYRLA

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

Pursuant to subsection 302 (c), Part III, Executive Order 10647 (20 F. R. 8769) "Providing for the Appointment of Certain Persons under the Defense Production Act of 1950, as amended," I hereby furnish for filing with the Division of the Federal Register for publication in the FEDERAL REGISTER the following information showing any changes in my financial interests and business connections as heretofore reported and published (20 F. R. 10086; 21 F. R. 3475; 21 F. R. 9198; 22 F. R. 3777; 22 F. R. 9450; 23 F. R. 3798) during the six months' period ended November 14, 1958.

No change.

Dated: November 14, 1958.

KEITH H. LYRLA.

[F. R. Doc. 58-10105; Filed, Dec. 5, 1958; 8:47 a. m.]