

was held by a person that was a United States shareholder under section 951(b).

Example 9. The facts are the same as in Example 8 except that the stock of FP was publicly traded, FP had one class of stock, and on the first day of the current taxable year DP purchased one share of FP stock on the foreign stock exchange instead of purchasing one share of JV stock from FP. JV became a controlled foreign corporation on that day because over 50 percent of the total value in the corporation was held by a person that was a United States shareholder under section 951(b).

Example 10. X, a foreign corporation, is incorporated under the laws of country Y. Under the laws of country Y, X is considered a mutual insurance company. X issues insurance policies that provide the policyholder with the right to vote for directors of the corporation, the right to a share of the assets upon liquidation in proportion to premiums paid, and the right to receive policyholder dividends in proportion to premiums paid. Only policyholders are provided with the right to vote for directors, share in assets upon liquidation, and receive distributions. United States policyholders contribute 25 percent of the premiums and have 25 percent of the outstanding rights to vote for the board of directors. Based on these facts, the United States policyholders are United States shareholders owning the requisite combined voting power and value. Thus, X is a controlled foreign corporation for purposes of taking into account related person insurance income under section 953(c).

(d) *Effective date.* Paragraphs (a) and (c) Examples 8 through 10 of this section are effective for taxable years of a controlled foreign corporation beginning after November 6, 1995.

§ 1.954A-1 and 1.954A-2 [Removed]

Par. 5. Sections 1.954A-1 and 1.954A-2 are removed.

§ 1.957-1T [Removed]

Par. 6. Section 1.957-1T is removed.

PART 4—[ADDED]

Par. 7. 26 CFR part 4 is added to read as follows:

PART 4—TEMPORARY INCOME TAX REGULATIONS UNDER SECTION 954 OF THE INTERNAL REVENUE CODE

- Sec.
 4.954-0 Introduction.
 4.954-1 Foreign base company income; taxable years beginning after December 31, 1986.
 4.954-2 Foreign personal holding company income; taxable years beginning after December 31, 1986.

Authority: 26 U.S.C. 7805.

- Sec.
 4.954-0 also issued under 26 U.S.C. 954 (b) and (c).
 4.954-1 also issued under 26 U.S.C. 954 (b) and (c).
 4.954-2 also issued under 26 U.S.C. 954 (b) and (c).

§§ 1.954-0T, 1.954-1T and 1.954-2T [Redesignated as §§ 4.954-0, 4.954-1 and 4.954-2]

Par. 8. Sections 1.954-0T, 1.954-1T and 1.954-2T are redesignated as §§ 4.954-0, 4.954-1 and 4.954-2, respectively, and the language “temporary” is removed at the end of each section heading.

Par. 9. Newly designated § 4.954-0 is amended by:

1. Removing the language “§§ 1.954-1T and 1.954-2T” from the first sentence of paragraph (a)(1) and adding “§§ 4.954-1 and 4.954-2” in its place.

2. Adding a sentence at the end of paragraph (a)(1) to read as set forth below.

3. In paragraph (b) by removing the entries numbered (I), (II), and (III) and adding in their places entries for the headings of §§ 4.954-0 through 4.954-2 as follows:

§ 4.954-0 Introduction.

- (a) * * * (1) * * * For further guidance, see § 1.954-0(a) of this chapter.
 (b) * * *

- Sec.
 4.954-0 Introduction.
 * * * * *
 4.954-1 Foreign base company income.
 * * * * *
 4.954-2 Foreign personal holding company income.
 * * * * *

PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

Par. 10. The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 11. In § 602.101, paragraph c is amended by:

1. Removing the following entries from the table:

§ 602.101 OMB Control numbers.

CFR part or section where identified and described	Current OMB control No.
* * * * *	
1.954-1T	1545-1068
1.954-2T	1545-1068

CFR part or section where identified and described	Current OMB control No.
* * * * *	
1.954A-2	1545-0755

2. Adding entries in numerical order to the table to read as follows:

§ 602.101 OMB Control numbers.

CFR part or section where identified and described	Current OMB control No.
* * * * *	
(c) * * *	
* * * * *	
1.954-1	1545-1068
1.954-2	1545-1068
* * * * *	
4.954-1	1545-1068
4.954-2	1545-1068
* * * * *	

Margaret Milner Richardson,
Commissioner of Internal Revenue.

Approved: August 22, 1995.

Cynthia Gibson Beerbower,
Deputy Assistant Secretary of the Treasury.

[FR Doc. 95-21838 Filed 9-6-95; 8:45 am]
 BILLING CODE 4830-01-U

DEPARTMENT OF LABOR

Wage and Hour Division

29 CFR Part 801

Application of the Employee Polygraph Protection Act of 1988

AGENCY: Wage and Hour Division, Employment Standards Administration, Labor.

ACTION: Final rule.

SUMMARY: The purpose of this document is to change the address which is used to request an administrative hearing on a civil money penalty assessment. This revision is being made in order to streamline the process by which hearing requests are acknowledged by consolidating all aspects of processing hearing requests into the operations of the office which issued the administrative determination upon which the request for a hearing is based.

EFFECTIVE DATE: This rule is effective September 7, 1995.

FOR FURTHER INFORMATION CONTACT: Arthur M. Kerschner Branch of Child Labor and Polygraph Standards, Wage and Hour Division, Employment

Standards Administration, U.S. Department of Labor, Room S-3510, 200 Constitution Avenue NW., Washington, DC 20210. Telephone (202) 219-7640. This is not a toll free number.

SUPPLEMENTARY INFORMATION:

I. Paperwork Reduction Act

This rule imposes no reporting or recordkeeping requirements on the public.

II. Background

Employers who violate any of the provisions of the Employee Polygraph Protection Act (EPPA) may be assessed civil money penalties up to \$10,000. Under § 801.53, any person desiring to request an administrative hearing on a civil money penalty assessment must do so in writing within 30 days after the date of receipt of the notice. Additionally, § 801.53 specifies that the written hearing request shall be made to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor.

This revision is being made in order to streamline the process by which hearing requests are acknowledged by consolidating all aspects of processing hearing requests into the operations of the office which issued the administrative determination upon which the request for a hearing is based. Accordingly, all such hearing requests are now to be made to the Wage and Hour official that issued the determination in care of the address of the office that originated the determination.

III. Summary of Rule

Section 801.53 of Regulations, 29 CFR part 801, is amended to provide for a new address for purposes of requesting administrative hearings. Hearing requests are now directed to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor. Under the amended regulation, these requests will be directed to the Wage and Hour Division official who issued the determination, at the address appearing on the determination notice.

Executive Order 12868/Section 202 of the Unfunded Mandates Reform Act of 1995

This rule is not a "significant regulatory action" within the meaning of Executive Order 12866, nor does it require a section 202 statement under the Unfunded Mandates Reform Act of 1995. The rule merely adopts a technical address change, which will facilitate the timeliness and handling of

the hearing process. Accordingly, these changes are not expected to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in Executive Order 12866. Therefore, no regulatory impact analysis has been prepared.

Regulatory Flexibility Act

Because no notice of proposed rulemaking is required for the rule under 5 U.S.C. 553(b), the requirements of the Regulatory Flexibility Act, Pub. L. 96-354, 94 Stat. 1165, 5 U.S.C. 601 et seq. pertaining to regulatory flexibility analysis, do not apply to this rule. See 5 U.S.C. 601(2). The rule simplifies the handling of hearing requests and will not have a significant economic impact on a substantial number of small entities.

Administrative Procedure Act

This regulation is procedural in nature. Accordingly, the Secretary, for good cause, finds pursuant to 5 U.S.C. 553(b)(3), that prior notice and public comment are unnecessary, impracticable, and contrary to the public interest.

The Secretary also for good cause finds, pursuant to 5 U.S.C. 553(d)(3), that this rule should take effect immediately because it is merely a technical procedural change which does not affect any substantive rights.

Document Preparation

This document was prepared under the direction and control of Maria Echaveste, Administrator, Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor.

List of Subjects in 29 CFR Part 801

Employment, Investigations, Labor, Law enforcement, Penalties.

For the reasons set forth above, 29 CFR part 801 is amended as set forth below.

Signed at Washington, DC, on this 31st day of August 1995.

Maria Echaveste,

Administrator, Wage and Hour Division.

PART 801—[AMENDED]

1. The authority citation for part 801 continues to read as follows:

Authority: Pub. L. 100-347, 102 Stat. 646, 29 U.S.C. 2001-2009.

2. Paragraph (a) of § 801.53 is revised to read as follows:

§ 801.53 Request for hearing.

(a) Any person desiring to request an administrative hearing on a civil money penalty assessment pursuant to this part shall make such request in writing to the official who issued the determination at the Wage and Hour Division address appearing on the determination notice, no later than 30 days after the date of receipt of the notice referred to in § 801.51 of this part.

* * * * *

[FR Doc. 95-22140 Filed 9-6-95; 8:45 am]

BILLING CODE 4510-27-M

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 3

RIN 2900-AG85

Evidence Requirements

AGENCY: Department of Veterans Affairs.
ACTION: Final rule.

SUMMARY: This document adopts as a final rule, without change, an interim rule that amends Department of Veterans Affairs (VA) adjudication regulations concerning the evidence required to establish birth, death, marriage, or relationship. This amendment was necessary to expedite the payment of benefits by allowing VA to accept photocopies of documents necessary to establish birth, death, marriage, or relationship. The intended effect of this amendment is to improve the efficiency and timeliness of claims processing.

EFFECTIVE DATE: This document is effective September 7, 1995 (The interim rule was effective September 8, 1994).

FOR FURTHER INFORMATION CONTACT: Steven Thornberry, Consultant, Regulations Staff, Compensation and Pension Service, Veterans Benefits Administration, 810 Vermont Avenue, NW., Washington, DC 20420, telephone (202) 273-7210.