

reference label on the edge of the door or latch post nearest the driver.

Standard No. 118 *Power Window Systems*: rewiring of the power window system so that the window transport is inoperative when the ignition is switched off.

Standard No. 208 *Occupant Crash Protection*: installation of a seat belt warning buzzer. The petitioner states that all non-U.S. certified 1992 and 1993 Mercedes-Benz 500SEL passenger cars built prior to September 1993 are equipped with driver's side air bags and knee bolsters, and that those built after September 1993 are equipped with both driver's and passenger's side air bags and knee bolsters. The petitioner further states that these vehicles are equipped with Type 2 seat belts in both front and rear outboard seating positions.

Standard No. 214 *Side Impact Protection*: installation of reinforcing beams.

Standard No. 301 *Fuel System Integrity*: installation of a rollover valve in the fuel tank vent line between the fuel tank and the evaporative emissions collection canister.

Additionally, the petitioner states that the bumpers on the non-U.S. certified 1992 and 1993 Mercedes-Benz 500SEL passenger cars must be reinforced to comply with the Bumper Standard found in 49 CFR Part 581.

Interested persons are invited to submit comments on the petition described above. Comments should refer to the docket number and be submitted to: Docket Section, National Highway Traffic Safety Administration, Room 5109, 400 Seventh Street, S.W., Washington, DC 20590. It is requested but not required that 10 copies be submitted.

All comments received before the close of business on the closing date indicated above will be considered, and will be available for examination in the docket at the above address both before and after that date. To the extent possible, comments filed after the closing date will also be considered. Notice of final action on the petition will be published in the Federal Register pursuant to the authority indicated below.

Authority: 49 U.S.C. 30141(a)(1)(A) and (b)(1); 49 CFR 593.8; delegations of authority at 49 CFR 1.50 and 501.8.

Issued on: December 12, 1995.

Marilynne Jacobs,  
Director, Office of Vehicle Safety Compliance.  
[FR Doc. 95-30576 Filed 12-14-95; 8:45 am]

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[Docket No. 95-86; Notice 1]

**Isis Imports Ltd. Receipt of Application for Temporary Exemption From Federal Motor Vehicle Safety Standards No. 208 and 214**

Isis Imports Ltd. of San Francisco, California, ("Isis") has applied for a temporary exemption of two years from paragraph S4.1.4 of Federal Motor Vehicle Safety Standard No. 208 *Occupant Crash Protection*, and of three years from Federal Motor Vehicle Safety Standard No. 214 *Side Impact Protection*. The basis of the application is that compliance will cause substantial economic hardship to a manufacturer that has tried to comply with the standard in good faith.

This notice of receipt of an application is published in accordance with the requirements of 49 U.S.C. 30113(b)(2) and does not represent any judgment of the agency on the merits of the application.

The make and type of passenger car for which exemption is requested is the Morgan open car or convertible. Morgan Motor Company ("Morgan"), the British manufacturer of the Morgan, has not offered its vehicle for sale in the United States since the early days of the Federal motor vehicle safety standards. It is the business of Isis to buy incomplete Morgan cars from the British manufacturer and import them as motor vehicle equipment, completing manufacture by the addition of engine and fuel system components. They differ from their British counterparts, not only in equipment items and modifications necessary for compliance with the Federal motor vehicle safety standards, but also in their fuel system components and engines, which are propane fueled. As the party completing manufacture of the vehicle, Isis certifies its conformance to all applicable Federal safety and bumper standards. The vehicle completed by Isis in the U.S. is deemed sufficiently different from the one produced in Britain that NHTSA considers Isis the manufacturer, not a converter, even though the brand names are the same.

Morgan itself produced around 470 cars in 1994, while in the year preceding the filing of its petition in September 1995, Isis produced 14 cars for sale in the United States. Twice previously NHTSA has exempted Isis from compliance with the automatic restraint requirements of Standard No. 208 on hardship grounds, the latest exemption expiring November 1, 1995. The staff of Isis consists of three full time employees and one part time

employee. Its cumulative net income for the years 1992-94 totals \$34,694.

Application for Exemption From Standard No. 208

Isis received NHTSA Exemptions Nos. 89-4 and 92-7 from S4.1.2.1 and S4.1.2.2 of Standard No. 208, respectively expiring October 1, 1992 and November 1, 1995 (54 FR 43647 and 57 FR 60564). Under the first exemption, it had sought to comply through a motorized belt system, then concluded that an air bag system would be preferable. At the time that its second exemption was granted, Isis had received proposals from air bag suppliers that it deemed prohibitive in cost. However, it hoped to have access to a system under development by Range Rover, or to aftermarket retrofit components.

According to the applicant, sufficient progress has been made during its second three-year exemption period that it can foresee compliance in only two more years. Morgan itself intends to equip its cars with air bags and has begun a test program towards this end. To date, 5 of 6 Hy-ge sled tests have been conducted. Body modifications are being engineered. Morgan is currently negotiating for "multi-point sensor air bag components", and estimates that it will take 12 to 18 months to complete the project "once we are given permission to use the components, most of which have already been sourced." Until such time, Isis will continue to use manual three-point restraint systems in its cars.

Application for Exemption from Standard No. 214

Isis claims that it has insufficient resources to work towards compliance with those requirements until its work on complying with Standard No. 208 is completed. It has had discussions with the British Motor Industry Research Association to identify the components that may require alteration, such as the door latches and interior padding. In its view, "it would not be prudent to test for side impact until we complete our modifications of the seating area and knee bolster assembly and finalize the air bag configuration, as changes in this area would be reflected in the performance of the vehicle in side-impact testing." It does, however, meet the previous side door strength requirements of the standard, and will work towards compliance during the three-year exemption period for which it has asked. Were the phase-in requirement of S8 applied to it, calculated on the basis of its limited

production, only very few cars would be required to meet the standard.

#### Safety and Public Interest Arguments

Because of the small number of vehicles that the applicant produces and its belief that they are used as second or third cars for short mileage open air excursions rather than for daily commuting, and because of the three-point restraints and side impact protection currently offered, Isis argues that an exemption would be in the public interest and consistent with safety. An exemption would allow it to "maintain the existing diversity of motor vehicles available in this country." Finally, because of its expertise in the use of propane as a fuel, Isis is "in a position to contribute to the growth of the alternative fueled vehicle industry."

Interested persons are invited to submit comments on the application described above. Comments should refer to the docket number and the notice number, and be submitted to: Docket Section, National Highway Traffic Safety Administration, room 5109, 400 Seventh Street, SW, Washington, DC 20590. It is requested but not required that 10 copies be submitted.

All comments received before the close of business on the comment closing date indicated below will be considered, and will be available for examination in the docket at the above address both before and after that date. To the extent possible, comments filed after the closing date will also be considered.

Notice of final action on the application will be published in the Federal Register pursuant to the authority indicated below.

Comment closing date: January 16, 1996.

(49 U.S.C. 30113; delegations of authority at 49 CFR 1.50. and 501.8)

Issued on: November 28, 1995.

Barry Felrice,

*Associate Administrator for Safety Performance Standards.*

[FR Doc. 95-30577 Filed 12-14-95; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Customs Service

#### Notice of Revised Time Frames Regarding Test of Reconciliation for Adjustments Made to the Price of Imported Merchandise by Related Party Companies Under 26 U.S.C. 482

AGENCY: U.S. Customs Service, Department of the Treasury.

**ACTION:** Notice of revised time frames for test.

**SUMMARY:** This document announces Customs decision to revise the time frames regarding the test Customs plans to conduct involving the use of reconciliation for those related party importers which have reason to believe upward adjustments may be made to the price of imported merchandise for tax purposes pursuant to 26 U.S.C. 482. In a prior Federal Register notice (60 FR 46141), Customs set out the eligibility requirements for voluntary participation in the test and described the basis on which Customs will select participants. This notice revises the time frames for both applicants to volunteer and for the commencement and conclusion of the planned test.

**DATES:** Applications to participate in this reconciliation test must be filed with and approved by Customs on or before May 1, 1996. The test will commence no earlier than May 1, 1996, and will cover entry summaries filed by selected participants from May 1, 1996, to December 31, 1996, or the end of the participant's tax year, whichever comes first. Participants must file the reconciliation summary, which provides the outstanding value information, within 15 months of the filing of the first affected entry summary or by July 31, 1997, whichever comes first.

**ADDRESSES:** To be considered for voluntary participation in this test, applications should be submitted to Mr. William F. Inch, Director, Office of Regulatory Audit, Office of Strategic Trade, U.S. Customs Service, 1301 Constitution Avenue, N.W., Room 2311, Washington, D.C. 20229-0001. Once the test is underway, reconciliation summaries shall be filed to the attention of Mr. Matthew Krimski, Office of Regulatory Audit, Office of Strategic Trade, U.S. Customs Service, 1301 Constitution Avenue, N.W., Washington, D.C. 20229.

**FOR FURTHER INFORMATION CONTACT:** Matthew Krimski, (202) 927-0411.

#### SUPPLEMENTARY INFORMATION:

##### Background

On September 5, 1995, Customs published a document in the Federal Register (60 FR 46141) announcing plans to conduct a test regarding the use of reconciliation for those related party importers which have reason to believe upward adjustments may be made to the price of imported merchandise for tax purposes pursuant to 26 U.S.C. 482. The document described the objectives of the test, the application process to participate, the eligibility criteria,

selectivity criteria and test evaluation criteria. The document invited public participation in the test and set forth a deadline for applications at no later than October 1, 1995. The planned commencement of the test was October 1, 1995.

Customs is now revising certain elements of the September 5, document. Customs now plans to begin the test no earlier than May 1, 1996, and the test will cover entry summaries filed by the selected participants from May 1, 1996, to December 31, 1996, or the end of the participant's tax year, whichever comes first.

Participants must file the reconciliation summary, which provides the outstanding value information, within 15 months of the filing of the first affected entry summary or by July 31, 1997, whichever comes first. Further, by applying, applicants agree that the value for merchandise covered by all entry summaries filed by them or on their behalf on or after May 1, 1996, until the end of the tax year or December 31, 1996, whichever comes first, shall be finally determined by the liquidation of the reconciliation filed in accordance with the test.

The time frame for Customs acceptance and approval of applications to participate in the test has been revised to May 1, 1996. Applications shall be addressed to Mr. William F. Inch as indicated above in this document.

To be eligible to participate in the test, a participant's tax year must end between May 1, 1996 and December 31, 1996.

For purposes of the reconciliation test, reconciliation summaries shall be filed to the attention of Matthew Krimski, Office of Regulatory Audit, Office of Strategic Trade, U.S. Customs Service, 1301 Constitution Avenue, N.W., Washington, D.C. 20229.

Aside from the revised information set forth in this document, all other information regarding the reconciliation test set forth in the Federal Register document of September 5, 1995, is still applicable.

Dated: December 6, 1995.

Karen J. Hiatt,

*Acting Assistant Commissioner, Office of Strategic Trade.*

[FR Doc. 95-30516 Filed 12-14-95; 8:45 am]

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