

DEPARTMENT OF THE TREASURY**Internal Revenue Service****26 CFR Part 1**

[IL-0075-92]

RIN 1545-AR31

Definition of Foreign Base Company Income and Foreign Personal Holding Company Income of a Controlled Foreign Corporation; Hearing Cancellation

AGENCY: Internal Revenue Service, Treasury.

ACTION: Cancellation of notice of public hearing on proposed regulations.

SUMMARY: This document provides notice of cancellation of a public hearing on proposed regulations relating to the definition of subpart F income and foreign personal holding company income of a controlled foreign corporation and the allocation of deficits for purposes of computing the deemed-paid foreign tax credit.

DATES: The public hearing originally scheduled for Thursday, January 4, 1996, beginning at 10 a.m. is cancelled.

FOR FURTHER INFORMATION CONTACT: Mike Slaughter of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622-7190, (not a toll-free number).

SUPPLEMENTARY INFORMATION: The subject of the public hearing is proposed regulations under sections 952, 954(c) and 960 of the Internal Revenue Code. A notice of proposed rulemaking and notice of public hearing appearing in the Federal Register for Thursday, September 7, 1995 (60 FR 46548), announced that the public hearing on proposed regulations under sections 952, 954(c) and 960 of the Internal Revenue Code would be held on Thursday, January 4, 1996, beginning at 10 a.m., in the IRS Auditorium, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, D.C.

The public hearing scheduled for Thursday, January 4, 1996, is cancelled. Cynthia E. Grigsby,

Chief, Regulations Unit, Assistant Chief Counsel (Corporate).

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26 CFR Parts 1 and 301

[IA-41-93]

RIN 1545-AS04

Automatic Extension of Time for Filing Individual Income Tax Returns

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross reference to temporary regulations and notice of public hearing.

SUMMARY: In the Rules and Regulations section of this issue of the Federal Register, the IRS is issuing temporary regulations that reflect the new procedures for obtaining an automatic extension of time to file an individual income tax return. The text of the temporary regulations also serves as the comment document for this notice of proposed rulemaking. This document also provides notice of a public hearing on these proposed regulations.

DATES: Written comments must be received by April 1, 1996. Outlines of topics to be discussed at the public hearing scheduled for May 8, 1996, beginning at 10:00 a.m. must be received by April 1, 1996.

ADDRESSES: Send submissions to: CC:DOM:CORP:R (IA-41-93), room 5228, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. In the alternative, submissions may be hand delivered between the hours of 8 a.m. and 5 p.m. to: CC:DOM:CORP:R (IA-41-93), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. The public hearing will be held in the IRS Auditorium.

FOR FURTHER INFORMATION CONTACT: Concerning the regulations, Margaret A. Owens, 202-622-6232 (not a toll-free number). Concerning submissions and the public hearing, Michael Slaughter, 202-622-7190 (not a toll-free number).

SUPPLEMENTARY INFORMATION:**Paperwork Reduction Act**

The collection of information contained in this notice of proposed rulemaking has been submitted to the Office of Management and Budget for review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507).

Comments on the collection of information should be sent to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503, with copies to the Internal

Revenue Service, Attn: IRS Reports Clearance Officer, T:FP, Washington, DC 20224. Comments on the collection of information should be received by March 4, 1996.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

The collection of information is in § 1.6081-4T(a). This information is required by the IRS to monitor the filing of individual income tax returns. This information will be used to determine which individuals need automatic 4-month extensions of time to file. The likely respondents are individuals or households. Responses to this collection of information are required to obtain a benefit (an automatic 4-month extension of time to file an individual income tax return).

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Estimates of the reporting burden in this Notice of Proposed Rulemaking will be reflected in the burden of Form 4868.

Background

The temporary regulations published in the Rules and Regulations section of this issue of the Federal Register contain amendments to the Income Tax Regulations (26 CFR part 1) and the Regulations on Procedure and Administration (26 CFR part 301). The temporary regulations provide rules relating to obtaining an automatic 4-month extension of time to file an individual income tax return. The text of the temporary regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains these proposed regulations.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in EO 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) and the Regulatory Flexibility Act (5 U.S.C. chapter 6) do not apply to these rules, and therefore, a Regulatory Flexibility Analysis is not required. Pursuant to section 7805(f) of the Internal Revenue Code, a copy of this notice of proposed rulemaking will be submitted to the Chief Counsel for

Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any written comments (a signed original and eight (8) copies) that are submitted timely to the IRS. All comments will be available for public inspection and copying.

A public hearing has been scheduled for May 8, 1996, at 10:00 a.m., at the IRS Auditorium. Because of access restrictions, visitors will not be admitted beyond the building lobby more than 15 minutes before the hearing starts.

The rules of 26 CFR 601.601(a)(3) apply to the hearing.

Persons who wish to present oral comments at the hearing must submit written comments by April 1, 1996, and submit an outline of the topics to be discussed and the time to be devoted to each topic (signed original and eight (8) copies) by April 1, 1996.

A period of 10 minutes will be allotted to each person for making comments.

An agenda showing the scheduling of the speakers will be prepared after the deadline for receiving comments has passed. Copies of the agenda will be available free of charge at the hearing.

Drafting Information

The principal author of these regulations is Margaret A. Owens, Office of the Assistant Chief Counsel (Income Tax & Accounting), IRS. However, other personnel from the IRS and Treasury Department participated in their development.

List of Subjects

26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR parts 1 and 301 are proposed to be amended as follows:

PART 1—INCOME TAXES

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

Authority: 26 U.S.C. 7805. * * *

Par. 2. Section 1.6081-4 is amended by:

1. Revising paragraph (a).

2. Adding paragraph (d).

The revised and added provisions read as follows:

§ 1.6081-4 Automatic extension of time for filing individual income tax returns.

[The text of proposed paragraphs (a) and (d) are the same as the text of § 1.6081-4T (a) and (d) published elsewhere in this issue of the Federal Register].

PART 301—PROCEDURE AND ADMINISTRATION

Par. 3. The authority citation for part 301 continues to read in part as follows:

Authority: 26 U.S.C. 7805. * * *

Par. 4. In § 301.6651-1, paragraph (c)(3) is revised to read as follows:

§ 301.6651-1 Failure to file tax return or to pay tax.

* * * * *

(c)(3) [The text of this proposed paragraph (c)(3) is the same as the text of § 301.6651-1T(c)(3) published elsewhere in this issue of the Federal Register].

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Margaret Milner Richardson,

Commissioner of Internal Revenue.

[FR Doc. 96-115 Filed 1-3-96; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 199

[DoD 6010.8-R]

Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Individual Case Management

AGENCY: Office of the Secretary, DoD.

ACTION: Proposed rule.

SUMMARY: This proposed rule implements provisions of the 1993 National Defense Authorization Act which allows the Secretary of Defense to establish a case management program for CHAMPUS beneficiaries with extraordinary medical or psychological disorders and to allow such beneficiaries medical or psychological services, supplies, or durable medical equipment excluded by law or regulation as a CHAMPUS benefit. Under this program, waiver of benefit limits to the Basic CHAMPUS program may be authorized for beneficiaries when the provision of such services or supplies is cost effective and clinically

appropriate, as compared to historical or projected CHAMPUS/MTF utilization of health care services. It is designed to develop a cost-effective plan of care by targeting appropriate resources to meet the individual needs of the beneficiary.

DATES: Written public comments must be received on or before March 4, 1996.

FOR FURTHER INFORMATION CONTACT: CAPT Deborah Kamin, Office of the Assistant Secretary of Defense (Health Affairs), (703)-697-8975.

SUPPLEMENTARY INFORMATION: The Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) supplements the availability of health care in military hospitals and clinics. Case management centering on a multidisciplinary treatment approach offers the beneficiary and provider assurance that specific services and supplies are allowable as CHAMPUS benefits and provides an opportunity to use those benefits efficiently.

Statutory Authority

The case management program is based on the authority of 10 U.S.C. 1079(a)(17), which provides:

The Secretary of Defense may establish a program for the individual case management of a person covered by this section or section 1086 of this title who has extraordinary medical or psychological disorders and, under such a program, may waive benefit limitations contained in paragraphs (5) and (13) of this subsection or section 1077(b)(1) of this title and authorize the payment for comprehensive home health care services, supplies, and equipment if the Secretary determines that such a waiver is cost effective and appropriate.

Case Management

The CHAMPUS individual case management program seeks to achieve cost effective quality health care by considering alternatives to inpatient hospitalization and by recommending a waiver of the current CHAMPUS benefit limits that, when provided in lieu of inpatient care (or to prevent recurrent hospitalizations), are cost effective and clinically appropriate. Waivers of benefit limits must be approved and coordinated by the case manager and may include, but not be limited to services or supplies such as home health care, medical supplies, back-up durable medical equipment, extended skilled nursing care and home health aides. CHAMPUS case managers will be employees or contractors of the Department of Defense. We propose to add to section 199.4 authorization, as a case management related benefit and on a case-by-case basis, services or supplies that would otherwise be excluded as non-medical or duplicate durable