

than 500 hours and because A is a limited partner under paragraph (h)(2) of this section who owns a substantial interest with rights and obligations that are identical to B's rights and obligations. In this example, B's distributive share is deemed to be a return on B's investment in LLC and not remuneration for B's service to LLC. Thus, B's distributive share attributable to B's two LLC units is not net earnings from self-employment under section 1402(a)(13).

(iv) *Distributive share included in net earnings from self-employment.* C's guaranteed payment of \$10x is included in C's net earnings from self-employment under section 1402(a). In addition, C's distributive share attributable to C's LLC unit also is net earnings from self-employment under section 1402(a) because C is not a limited partner under paragraphs (h)(2), (h)(3), or (h)(4) of this section. C is not treated as a limited partner under paragraph (h)(2) of this section because C has the authority under State's law to enter into a binding contract on behalf of LLC and because C participates in LLC's trade or business for more than 500 hours during the taxable year. Further, C is not treated as a limited partner under paragraph (h)(3) of this section because C does not hold more than one class of interest in LLC. Finally, C is not treated as a limited partner under paragraph (h)(4) of this section because C has the power to bind LLC. Thus, C's guaranteed payment and distributive share both are included in C's net earnings from self-employment under section 1402(a).

(j) *Effective date.* Paragraphs (d), (e), (f), (g), (h), and (i) are applicable beginning with the individual's first taxable year beginning on or after the date this section is published as a final regulation in the Federal Register.

Margaret Milner Richardson,
Commissioner of Internal Revenue.

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DEPARTMENT OF THE INTERIOR

Bureau of Land Management

43 CFR Part 3100

[WO-310-3110-02 1A]

Royalty Rate Reduction for Stripper Oil Properties

AGENCY: Bureau of Land Management, Interior.

ACTION: Review of regulations; reopening of comment period.

SUMMARY: On November 4, 1996, the Bureau of Land Management (BLM) published a document in the Federal Register announcing a review of the royalty rate reducing reduction available to producers of Federal stripper well properties (61 FR 56651). The document requested comments from the public on the effectiveness of this program during

a 60-day period that ended on January 3, 1997. BLM has received numerous requests from the public for additional time to research this issue and is reopening the comment period for an additional 60 days.

DATES: Comments must be submitted on or before March 14, 1997.

ADDRESSES: If you wish to comment you may: (a) Hand-deliver comments to the Bureau of Land Management, Administrative Record, Room 401, 1620 L St., NW., Washington, DC; (b) Mail comments to the Bureau of Land Management, Administrative Record, Room 401LS, 1849 C Street, NW, Washington, DC 20240; or (c) Transmit comments electronically via the Internet to WOCComment@wo.blm.gov. Please include Attn: "Stripper Wells" and your name and address in your message. If you do not receive a confirmation from the system that we have received your Internet message, contact us directly at (202) 452-5030.

You will be able to review comments at BLM's Regulatory Affairs office, Room 401, 1620 L St., NW., Washington, D.C., during regular business hours (7:45 a.m. to 4:15 p.m.) Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Wayne Melton, Roswell (NM) District Office, (505) 627-0254.

Dated: January 8, 1997.

Frank Bruno,

Regulatory Affairs Group.

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Parts 630 and 678

[I.D. 010297A]

Atlantic Swordfish Fishery; Atlantic Shark Fishery; Public Hearings on Draft Amendment 1 to the Fishery Management Plan for Sharks of the Atlantic Ocean

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Public hearings; request for comments.

SUMMARY: The Highly Migratory Species Management Division (HMS Division) will convene 11 public hearings on Draft Amendment 1 to the Fishery Management Plan for Sharks of the Atlantic Ocean (Shark FMP) and a

proposed limited access system for the Atlantic swordfish fishery. Draft Amendment 1 will address a limited access system for the Atlantic shark fishery. Draft Amendment 1 to Fishery Management Plan for Atlantic Swordfish (Swordfish FMP), which will address a limited access system for that fishery, will be published in early January.

DATES: Written comments on Draft Amendment 1 to the Shark FMP will be accepted until February 28, 1997. Public hearings will be held in January and February. See **SUPPLEMENTARY INFORMATION** for specific dates and times of the hearings.

ADDRESSES: Written comments should be sent to William T. Hogarth, Acting Chief, HMS Division, Office of Sustainable Fisheries F/SF1, 1315 East-West Highway, Silver Spring, MD 20910 (FAX: 301-713-1917). Clearly mark the outside of the envelope "Limited Access Comments." Copies of the proposed rule and draft amendment 1 to the Shark FMP, which includes an environmental assessment and regulatory impact review, are available from Margo Schulze at the same address. Public hearings will be held in Maine, Massachusetts, Rhode Island, New York, New Jersey, North Carolina, Florida, and Louisiana. See **SUPPLEMENTARY INFORMATION** for locations of the hearings.

FOR FURTHER INFORMATION CONTACT: Margo Schulze, Fishery Biologist, or James Chambers, Fishery Management Specialist, HMS Division, 301-713-2347.

SUPPLEMENTARY INFORMATION: Issues that will be addressed in Draft Amendment 1 to the Shark FMP include: Proposed implementation of a two-tiered permit system consisting of directed and incidental permits for the commercial fishery, eligibility criteria for these permits based on historical participation, transferability provisions, the permitting process, upgrading restrictions, ownerships limits, and an incidental permit catch limit. Draft Amendment 1 to the Swordfish FMP will be published in early January and will address similar issues to those in Draft Amendment 1 to the Shark FMP.

A complete description of the measures, including the purpose and need for the proposed action, is contained in the proposed rule published December 27, 1996 (61 FR 68202), and is not repeated here. Copies of the proposed rule and Draft