Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Wichita Aircraft Certification Office.

(e) Copies of the relative service information may be obtained from The Cessna Aircraft Company, P.O. Box 7706, Wichita, Kansas 67277. Copies of this document also may be inspected at the FAA, Central Region, Office of the Regional Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

(f) This amendment (39–10292) becomes effective on February 23, 1998, to all persons except those persons to whom it was made immediately effective by priority letter AD 98–01–14, issued December 30, 1997, which contained the requirements of this amendment.

Issued in Kansas City, Missouri, on January 20, 1998.

Carolanne L. Cabrini,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–1860 Filed 1–26–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

National Highway Traffic Safety Administration

23 CFR Part 1260

[NHTSA–97–3196]

RIN 2125–AE17

Certification of Speed Limit Enforcement

AGENCY: Federal Highway Administration (FHWA) and National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

ACTION: Final rule.

SUMMARY: Section 205(d) of the National Highway System Designation Act of 1995 repealed the National Maximum Speed Limit (NMSL) Compliance Program. It made the repeal effective on December 8, 1995, but provided that the Governors of certain States could delay the effective date of the repeal. All possible delay periods have now passed. This Final Rule provides that 23 CFR part 1260, which contains the procedures for implementing the NMSL, is now rescinded.

EFFECTIVE DATE: January 27, 1998.

FOR FURTHER INFORMATION CONTACT: In FHWA, Janet Coleman, Office of Highway Safety, 202–366–4668; or Raymond W. Cuprill, Office of the Chief Counsel, 202–366–1377. In NHTSA, Garrett Morford, Police Traffic Services Division, 202–366–9790; or Heidi L. Coleman, Office of the Chief Counsel, 202–366–1834.

SUPPLEMENTARY INFORMATION:

Background

The 55 mph National Maximum Speed Limit (NMSL) was first instituted in 1974 as a temporary conservation measure in response to the oil embargo imposed by certain oil-producing nations. Because of the reduction in traffic fatalities that accompanied the institution of the speed limit, it was made permanent in 1975.

In 1978, Congress amended the law to require that, in addition to posting and enforcing the speed limit, States would have to achieve specific levels of compliance. In April 1987, Congress passed legislation that allowed States to post 65 mph maximum speed limits on rural Interstate highways. In December 1987, the President approved legislation enacting a limited demonstration program, that allowed the posting of speed limits as high as 65 mph on certain rural non-Interstate highways through the end of FY 1991.

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) made the demonstration program permanent, and allowed other rural non-Interstate highways that were not a part of the demonstration program to be posted at the 65 mph speed limit, provided they met certain criteria.

ISTEA also required the Secretary of Transportation to publish a rule to establish speed limit compliance requirements on 65 mph roads, in addition to 55 mph roads, and to include a formula for determining compliance by the States.

FHWA and NHTSA had shared responsibility for the implementation of the NMSL compliance program since 1980. To implement this program and the requirements of ISTEA, the agencies promulgated a joint regulation, 23 CFR part 1260.

On November 28, 1995, the President signed into law the National Highway System Designation Act of 1995 (NHS Act). Section 205(d) of the NHS Act repealed the NMSL compliance program, as set forth in 23 U.S.C. §§ 141(a) and 154.

The NHS Act made the repeal effective on December 8, 1995, but provided some States with an option to delay this effective date. In any State in which the legislature was not in session on November 28, 1995, the Governor could declare, before December 8, 1995, that the legislature was not in session and that the State preferred to delay the effective date until after the State's legislature next convenes. In accordance with the NHS Act, such a declaration would delay the effective date of the repeal of the NMSL until the 60th day following the date on which the legislature next convenes. Five States decided to exercise the option: Kansas, Louisiana, Mississippi, Missouri and Ohio.

Accordingly, as provided in the NHS, on December 8, 1995, the NMSL was repealed for all States other than these five States. In those five States, it remained in effect until the 60th day following the date on which the legislature of that State next convened.

The agencies published a final rule in the **Federal Register** on March 20, 1996, 61 FR 11305, which rescinded the regulation for all States except the five which had delayed the effective date until after their legislatures next convened. That final rule added an applicability section to Part 1260 (section 1260.4), making the regulation applicable only to those five States. In addition, sections of the regulation that pertained to speed monitoring, certification requirements and compliance standards were deleted from the regulation because they were no longer applicable to any State. This removed the information collection requirement for all States at that time.

The expiration of the 60-day period has now occurred for all States. Since Part 1260 no longer applies to any State, the regulation is being rescinded in its entirety.

Regulatory Analyses and Notices

Civil Justice Reform

This final rule will not have any preemptive or retroactive effect. It imposes no requirements on the States, but rather removes regulatory obligations that are no longer authorized by statute.

Executive Order 12866 (Regulatory Planning and Review) and DOT Regulatory Policies and Procedures

The agencies have analyzed the effect of this action and determined that it is not significant within the meaning of Executive Order 12866 or of Department of Transportation regulatory policies and procedures. This final rule imposes no additional burden on the public. Regulatory obligations have been removed since they are no longer authorized by statute. Therefore, a regulatory evaluation is not required and was not prepared.

Regulatory Flexibility Act

In compliance with the Regulatory Flexibility Act, the agencies have evaluated the effects of this action on

small entities. Based on the evaluation, we certify that this action will not have a significant economic impact on a substantial number of small entities. Accordingly, the preparation of a Regulatory Flexibility Analysis is unnecessary.

Paperwork Reduction Act

The Office of Management and Budget (OMB) had approved the information collection requirements associated with 23 CFR part 1260 (OMB Clearance No. 2125–0027). By rescinding all of part 1260, the information collection requirement, as that term is defined by OMB in 5 CFR part 1320, remains at zero.

National Environmental Policy Act

The agencies have analyzed this action for the purpose of compliance with the National Environmental Policy Act and have determined that it will not have a significant effect on the human environment.

Executive Order 12612 (Federalism)

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612. There are no federalism implications pursuant to Executive Order 12612 since regulatory obligations are being rescinded because they are no longer authorized under current law. Under these circumstances, the preparation of a Federalism Assessment is not warranted.

Notice and Comment

The agencies find that prior notice and opportunity for comment are unnecessary under 5 U.S.C. 553(b)(3)(B) because the agencies are not exercising discretion in a way that could be meaningfully affected by public comment. Instead, this rescission of the agencies' speed limit compliance regulations is mandated by Section 205(d) of the NHS Act. Therefore, notice and opportunity for comment are not required under the regulatory policies and procedures of the Department of Transportation.

In addition, good cause exists to dispense with the 30-day delayed effective date requirement of 5 U.S.C. 553(d) because this final rule ''grants or recognizes an exemption or relieves a restriction'' in accordance with 5 U.S.C. 553(d)(1). In repealing the NMSL regulation for all States, all Federal speed limit provisions are terminated. Consequently, the agencies are proceeding directly to a final rule which is effective upon its date of publication.

List of Subjects in 23 CFR Part 1260

Grant programs—transportation, Highway and roads, Motor vehicles, Traffic regulations.

In consideration of the foregoing, Part 1260 of Title 23, Code of Federal Regulations, is removed.

Issued on: January 12, 1998.

Kenneth R. Wykle,

Administrator, Federal Highway Administration.

Ricardo Martinez,

Administrator, National Highway Traffic Safety Administration.

[FR Doc. 98–1888 Filed 1–26–98; 8:45 am]

BILLING CODE 4910–59–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 8759]

RIN 1545–AP36

Filing Requirements for Returns Claiming the Foreign Tax Credit

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final Regulation.

SUMMARY: This document contains a final regulation relating to the substantiation requirements for taxpayers claiming foreign tax credits. The regulation is necessary to provide guidance to U.S. taxpayers who claim foreign tax credits.

DATES: *Effective date:* This regulation is effective January 27, 1998.

Applicability date: These regulations are applicable for tax returns whose original due date falls on or after January 1, 1988.

FOR FURTHER INFORMATION CONTACT: Joan Thomsen, (202) 622–3850 (not a toll-free call).

SUPPLEMENTARY INFORMATION:

Background

On January 13, 1997, the IRS published in the **Federal Register** a notice of proposed rulemaking (REG–208288–90), 62 FR 1700, relating to the filing requirements for returns claiming the foreign tax credit (the ''proposed regulation'').

Written comments responding to the proposed regulation were received. A public hearing was requested and scheduled but was later canceled when the one requester withdrew the request to testify. After consideration of all of the written comments, the proposed regulation under section 905(b) is adopted as revised by this Treasury Decision.

Summary of Comments and Final Regulations

The commenters argued that the ''interim credit'' notion incorporated in the proposed regulations from *Continental Illinois*, T.C. Memo 1991–66, 61 T.C.M. (CCH) 1916 (1991), *aff'd in part and rev'd in part*, 998 F.2d 513, 516–17 (7th Cir. 1993), was misapplied and that the proposed amendment to § 1.905–2(b)(3) denied district directors the flexibility to find compliance with section 905(b) unless the taxpayer produces receipts (or other direct evidence of payment) in order to prove that the taxes actually were paid to the foreign government. They argued that, even if the district director should be able to require such proof in cases such as *Continental Illinois*, district directors must have the flexibility to accept lesser proof. They argued that a portfolio holder of publicly-traded foreign securities, for example, will not be able to obtain proof in the form of receipts evidencing that the issuer of the securities actually paid the withheld taxes to the foreign government.

The comment letters are correct that the regulations historically have allowed the district director flexibility to determine that section 905(b) is satisfied without the production of tax receipts evidencing that the tax has been paid to the foreign government. Treasury and the IRS did not intend that the amendment to § 1.905–2(b)(3), as proposed, deny the district director the flexibility to accept secondary evidence of the foreign tax payment where it has been established to the satisfaction of the district director that it is impossible to furnish a receipt for such foreign tax payment. The amendment was merely intended to clarify that proof of the act of withholding through secondary evidence is not, per se, equivalent to proof of payment of the foreign tax. Treasury and the IRS have now concluded, however, that such clarification is not necessary. *Continental Illinois* v. *Commissioner, supra.*

Therefore, in response to comments, the proposed regulation is finalized without its proposed amendment to § 1.905–2(b)(3). Thus, the final regulations are identical to the final regulations currently in effect, except § 1.905–2(a)(2) no longer requires a foreign receipt or return to be attached to a Form 1116 or Form 1118.

Treasury and the IRS will continue to review the foreign tax credit substantiation rules to assure that they are functioning adequately. For