

obtained by means of a PIN provided by the carrier, for which S's customer pays in advance of obtaining service; therefore, each card is a PTC. Because the value of each PTC is not designated in dollars and a tariff has not been filed for the minutes on the PTC, each PTC is an untariffed unit card.

(iii) The PTCs are untariffed unit cards transferred by the carrier to a transferee reseller. Thus, the face amount is determined under paragraph (c)(3)(ii) of this section, which permits D to choose from three alternative methods. Under paragraph (c)(3)(ii)(A)(1) of this section, the face amount of each PTC would be \$9, the highest amount for which D sells to holders purchasing a single PTC. Alternatively, under paragraph (c)(3)(ii)(A)(2) of this section, the face amount of each PTC would be \$8.10, computed as follows: 135% × the \$60,000 sales price × 10,000 PTCs. Finally, under paragraph (c)(3)(ii)(A)(3) of this section (assuming the PTCs are of a type that ordinarily is used entirely for domestic communications services), the face amount of each PTC would be \$9 (\$0.30 × 30 minutes).

(iv) The cards are PTCs; thus, under section 4251(d), the face amount is treated as an amount paid for communications services and that amount is treated as paid when the PTCs are transferred from D to S. Accordingly, at the time of transfer, S is liable for the 3 percent tax imposed by section 4251(a). Assuming that D chooses to determine the face amount as provided in paragraph (c)(3)(ii)(A)(2) of this section, the amount of the tax is \$2,430 (3% × the \$8.10 face amount × 10,000 PTCs). Thus, the total paid by S is \$62,430, the \$60,000 sales price plus \$2,430 tax. D is responsible for collecting the tax from S.

*Example 7. Transfer of card that is not a PTC.* (i) On May 1, 2000, E, a carrier, provides a telephone card to T, an individual, for T's use in making telephone calls. E provides T with a PIN. The card provides access to an unlimited amount of communications services. E charges T \$0.25 per minute of service, and bills T monthly for services used. The communications services acquired by using the card will be obtained by entering the PIN and the telephone number to be called.

(ii) Although the communications services will be obtained by means of a PIN, T does not receive a fixed amount of communications services. Also, T cannot pay in advance since the amount of T's payment obligation depends upon the number of minutes used. Therefore, the card is not a PTC.

(iii) Because the card is not a PTC, section 4251(d) does not apply. However, the 3 percent tax imposed by section 4251(a) applies to the amounts paid by T to E for the communications services. Accordingly, at the time an amount is paid for communications services, T is liable for tax. E is responsible for collecting the tax from T.

(f) *Effective date.* This section is applicable with respect to PTCs transferred by a carrier on or after the first day of the first calendar quarter beginning after January 7, 2000.

**PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT**

**Par. 3.** The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

**Par. 4.** In § 602.101, paragraph (b) is amended by adding an entry 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.
(b) * * *	
49.4251–(4)(d)(2) .....	1545–1628

**John M. Dalrymple,**  
*Acting Deputy Commissioner of Internal Revenue.*

Approved: December 13, 1999.

**Jonathan Talisman,**  
*Acting Assistant Secretary of the Treasury.*  
[FR Doc. 00–56 Filed 1–6–00; 8:45 am]

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**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 301**

[TD 8845]

RIN 1545–AW20

**Adequate Disclosure of Gifts; Correction**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Correction to final regulations.

**SUMMARY:** This document contains corrections to final regulations which were published in the **Federal Register** on Friday, December 3, 1999, 64 FR 67767, relating to the valuation of prior gifts in determining estate and gift tax liability, and the period of limitations for assessing and collecting gift tax.

**DATES:** This correction is effective December 3, 1999.

**FOR FURTHER INFORMATION CONTACT:** William L. Blodgett, (202) 622–3090, (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The final regulations that are subject to these corrections are under section 6501 of the Internal Revenue Code.

**Need for Correction**

As published, final regulations (TD 8845) contain errors that may prove to be misleading and are in need of clarification.

**Correction of Publication**

Accordingly, the publication of the final regulations (TD 8845), which were the subject of FR Doc. 99–30944, is corrected as follows:

**§ 301.6501(c)–1 [Corrected]**

1. On page 67772, column 3, § 301.6501(c)–1(f)(5), line 9 from the top of the column, the language “transfer will not be subject to inclusion” is corrected to read “transfer will be subject to inclusion”.

2. On page 67772, column 3, § 301.6501(c)–1(f)(5), line 11 from the top of the column, the language “purposes. On the other hand, if the” is corrected to read “purposes only to the extent that a completed gift would be so included. On the other hand, if the”.

**Cynthia E. Grigsby,**  
*Chief, Regulations Unit, Assistant Chief Counsel (Corporate).*

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**DEPARTMENT OF THE INTERIOR**

**Office of Surface Mining Reclamation and Enforcement**

**30 CFR Part 914**

[SPATS No. IN–146–FOR; State Program Amendment No. 98–3]

**Indiana Regulatory Program**

**AGENCY:** Office of Surface Mining Reclamation and Enforcement, Interior.  
**ACTION:** Final rule; approval of amendment.

**SUMMARY:** The Office of Surface Mining Reclamation and Enforcement (OSM) is approving an amendment to the Indiana regulatory program (Indiana program) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA). Indiana proposed to add a new section to its rules. The new section requires permittees of coal mine operations to submit an annual report of affected area to the director of the Indiana Department of Natural Resources (IDNR). Indiana intends to revise its program to improve operational efficiency. We are also taking this opportunity to make a technical correction to 30 CFR 914.16(ii) and to remove the required amendments codified at 30 CFR 914.16(b) and 914.16(ii)(b).