

corporations combine in a section 367(b) transaction.

**FOR FURTHER INFORMATION CONTACT:**  
Anne O'Connell Devereaux (202) 622-3850 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The notice of proposed rulemaking and notice of public hearing (REG-116050-99) that is the subject of these corrections is under section 367 of the Internal Revenue Code.

**Need for Correction**

As published the notice of proposed rulemaking and notice of public hearing (REG-116050-99), contains errors that may prove to be misleading and are in need of clarification.

**Correction of Publication**

Accordingly, the publication of the notice of proposed rulemaking and notice of public hearing (REG-116050-99), which was the subject of FR Doc. 00-28950, is corrected as follows:

1. On page 69139, column 3, in the preamble under the paragraph heading *C. Specific Policies Related to Foreign 381 Transactions (Prop. Reg. § 1.367(b)-7)*, first full paragraph in the column, line 6, the language "corporation as defined in section 957" is corrected to read "corporation as defined in section 953 or 957".

2. On page 69140, column 3, in the preamble under the paragraph heading *C. Specific Policies Related to Foreign 381 Transactions (Prop. Reg. § 1.367(b)-7)*, the first full paragraph, the last 2 lines, the language "opportunities to traffic in foreign tax credits." is corrected to read "opportunities to traffic in foreign taxes."

**PART 1—INCOME TAXES**

**§ 1.367(b)-3 [Corrected]**

3. On page 69149, column 3, § 1.367(b)-3(f), last line in the column, the language "specifically provided (see, e.g., 89-79" is corrected to read "specifically provided (see, e.g., Notice 89-79".

**§ 1.367(b)-8 [Corrected]**

4. On page 69176, § 1.367(b)-8(d)(6), paragraph (ii)(D) of *Example 3*, the table is corrected to read as follows:

**§ 1.367(b)-8 Allocation of earnings and profits and foreign income taxes in certain foreign corporate separations.**

\* \* \* \* \*  
(d) \* \* \*

(6) \* \* \*  
*Example 3.* \* \* \*  
(ii) \* \* \*  
(D) \* \* \*

Separate category	E&P	Foreign taxes
General .....	150u	\$30
Shipping .....	100u	40
	250u	70

\* \* \* \* \*

5. On page 69176, column 1, § 1.367(b)-8(d)(6), paragraph (ii)(E) of *Example 3*, line 12, the language "stock to \$525. Because the fair market value" is corrected to read "stock to \$425. Because the fair market value".

6. On page 69176, column 1, § 1.367(b)-8(d)(6), paragraph (ii)(E) of *Example 3*, the last line in the column preceding the second table, the language "\$75. See also paragraph (d)(2)(iii)(C) of this" is corrected to read "\$175. See also paragraph (d)(2)(iii)(C) of this".

7. On page 69178, column 3, § 1.367(b)-8(e)(6), paragraph (ii)(B) of *Example 2*, lines 5 through 9 from the bottom of the paragraph, the language "shipping separate category (along with \$50 of foreign income taxes) and 166.67u (200u - (100u x (200u ÷ 600u))) of available earnings in the section 904(d)(1)(D) shipping separate category (along with \$80 of foreign income" is corrected to read "shipping separate category (along with \$80 of foreign income".

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**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

**[REG-106030-98]**

**RIN 1545-AW50**

**Source of Income From Certain Space and Ocean Activities; Also, Source of Communications Income; Hearing**

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

**ACTION:** Change of date of public hearing; extension of time to submit outlines of oral comments.

**SUMMARY:** This document changes the date of the public hearing on the proposed regulations under sections 863(a)(d) and (e) governing the source of income from certain communications activities. It also extends the time to submit outlines of oral comments for the hearing.

**DATES:** The public hearing will be held May 23, 2001, beginning at 10 a.m. Additional outlines of oral comments must be received by May 2, 2001.

**ADDRESSES:** The public hearing will be held in Room 2615, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC. Send submissions to: Regulations Unit CC (REG-106030-98), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered between the hours of 8 a.m. and 5 p.m. to: Regulations Unit CC (REG-106030-98), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington DC. Alternatively, taxpayers may submit outlines of oral comments electronically directly to the IRS Internet site at <http://www.irs.gov/tax regs/reglist.html>.

**FOR FURTHER INFORMATION CONTACT:** Concerning the regulations, Anne Shelburne, (202) 874-1490; concerning submission, LaNita Van Dyke, (202) 622-7190 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background**

A notice of proposed rulemaking and notice of public hearing, appearing in the **Federal Register** on Wednesday, January 17, 2001 (66 FR 3903), announced that a public hearing on the proposed regulations under sections 863(d) and 863(e), governing the source of income from certain space and ocean activities would be held on March 28, 2001, in the Auditorium, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC. Subsequently, the date of the public hearing has changed to May 23, 2001, at 10 a.m. in room 2615. Outlines of oral comments must be received by May 2, 2001.

**Cynthia Grigsby,**

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