

Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

DATES: Written comments should be received on or before April 27, 2001 to be assured of consideration.

Internal Revenue Service (IRS)

OMB Number: 1545-0990.
Form Number: IRS Form 8610 and Schedule A (Form 8610).
Type of Review: Extension.
Title: Annual Low-Income Housing Credit Agencies Report (8610); and Carryover Allocation of Low-Income Housing Credit (Schedule A).
Description: State housing agencies file Form 8610 to transmit copies of Form 8609, Schedule(s) A (Form 8610),

and binding agreements and election statements to the IRS. The Agencies use Schedule A (Form 8610) to report certain information contained in carryover allocation documents to the IRS.

Respondents: State, Local or Tribal Government.

Estimated Number of Respondents/Recordkeepers: 53.

Estimated Burden Hours Per Respondent/Recordkeeper:

	Form 8610	Schedule A
Recordkeeping	6 hr., 27 min	3 hr., 21 min.
Learning about the law or the form	1 hr., 17 min	24 min.
Preparing and sending the form to the IRS	1 hr., 27 min	28 min.

Frequency of Response: Annually.
Estimated Total Reporting/Recordkeeping Burden: 5,961 hours.
OMB Number: 1545-1584.
Form Number: IRS Form 8859.
Type of Review: Extension.
Title: District of Columbia First-Time Homebuyer Credit.

Description: Form 8859 is used to claim the District of Columbia (DC) First-Time Homebuyer Credit. The information collected will be used to verify that the credit was computed correctly.

Respondents: Individuals or households.

Estimated Number of Respondents/Recordkeepers: 1,900.

Estimated Burden Hours Per Respondent/Recordkeeper:

Recordkeeping	19 min.
Learning about the law or the form.	6 min.
Preparing the form	22 min.
Copying, assembling, and sending the form to the IRS.	20 min.

Frequency of Response: Other (once).
Estimated Total Reporting/Recordkeeping Burden: 2,166 hours.

OMB Number: 1545-1709.

Form Number: IRS Form 8868.

Type of Review: Extension.

Title: Application for Extension of Time to File an Exempt Organization Return.

Description: Internal Revenue Code (IRC) 6081 permits the Secretary to grant a reasonable extension of time for filing any return, declaration, statement, or other document. This form is used by fiduciaries and certain exempt organizations, to request an extension of time to file their returns. The information is used to determine whether the extension should be granted.

Respondents: Not-for-profit institutions.

Estimated Number of Respondents/Recordkeepers: 248,932.

Estimated Burden Hours Per Respondent/Recordkeeper:

	Form 8868 Part I	Form 8868 Part II
Recordkeeping	5 hr., 30 min	5 hr., 15 min.
Learning about the law or the form	6 min	0 min.
Preparing and sending the form to the IRS	11 min	4 min.

Frequency of Response: On occasion.
Estimated Total Reporting/Recordkeeping Burden: 1,373,335 hours.
OMB Number: 1545-1730.
Regulation Project Number: REG-114998-98 Final.

Type of Review: Extension.
Title: Obligations of States and Political Subdivisions.

Description: Section 142(f)(4) of the Internal Revenue Code of 1986 permits a person engaged in the local furnishing of electric energy or gas that uses facilities financed with exempt facility bonds under section 142(a)(8) and that expands its service area in a manner inconsistent with the requirements of sections 142(a)(8) and 142(f) to make an election to ensure that those bonds will continue to be treated as tax-exempt bonds. The final regulations (1.142(f)-1)

set forth the required time and manner of making this statutory election.

Respondents: State, Local or Tribal Government.

Estimated Number of Respondents: 15.

Estimated Burden Hours Per Respondent: 1 hour.

Frequency of Response: On occasion.
Estimated Total Reporting Burden: 15 hours.

Clearance Officer: Garrick Shear, Internal Revenue Service, Room 5244, 1111 Constitution Avenue, NW., Washington, DC 20224.

OMB Reviewer: Alexander T. Hunt, (202) 395-7860, Office of Management and Budget, Room 10202, New

Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports Management Officer.

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DEPARTMENT OF VETERANS AFFAIRS

Cost-of-Living Adjustments and Headstone or Marker Allowance Rate

AGENCY: Department of Veterans Affairs.
ACTION: Notice.

SUMMARY: As required by law, the Department of Veterans Affairs (VA) is hereby giving notice of cost-of-living adjustments (COLAs) in certain benefit

rates and income limitations. These COLAs affect the pension, parents' dependency and indemnity compensation (DIC), and spina bifida programs. These adjustments are based on the rise in the Consumer Price Index (CPI) during the one year period ending September 30, 2000. VA is also giving notice of the maximum amount of reimbursement that may be paid for headstones or markers purchased in lieu of Government-furnished headstones or markers in Fiscal Year 2001, which began on October 1, 2000.

DATES: These COLAs are effective December 1, 2000. The headstone or marker allowance rate is effective October 1, 2000.

FOR FURTHER INFORMATION CONTACT: Paul Trowbridge, Consultant, Compensation and Pension Service (212A), Veterans Benefit Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 273-7218.

SUPPLEMENTARY INFORMATION: Under 38 U.S.C. 2306(d), VA may provide reimbursement for the cost of non-Government headstones or markers in an amount equal to the actual cost of the non-Government headstone or marker or

the average actual cost of Government-furnished headstones or markers during the fiscal year preceding the fiscal year in which the non-Government headstone or marker was purchased, whichever is less.

Section 8041 of Public Law 101-508 amended 38 U.S.C. 2306(d) to eliminate the payment of the monetary allowance in lieu of VA-provided headstone or marker for deaths occurring on or after November 1, 1990. However, in a precedent opinion (O.G.C. Prec. 17-90), VA's General Counsel held that there is no limitation period applicable to claims for benefits under the provisions of 38 U.S.C. 2306(d).

The average actual cost of Government-furnished headstones or markers during any fiscal year is determined by dividing the sum of VA costs during that fiscal year for procurement, transportation, and miscellaneous administration, inspection and support staff by the total number of headstones and markers procured by VA during that fiscal year and rounding to the nearest whole dollar amount.

The average actual cost of Government-furnished headstones or

markers for Fiscal Year 2000 under the above computation method was \$94. Therefore, effective October 1, 2000, the maximum rate of reimbursement for non-Government headstones or markers purchased during Fiscal Year 2001 is \$94.

Cost of Living Adjustments

Under the provisions of 38 U.S.C. 5312 and section 306 of Public Law 95-588, VA is required to increase the benefit rates and income limitations in the pension and parents' DIC programs by the same percentage, and effective the same date, as increases in the benefit amounts payable under title II of the Social Security Act. The increased rates and income limitations are also required to be published in the **Federal Register**.

The Social Security Administration has announced that there will be a 3.5 percent cost-of-living increase in Social Security benefits effective December 1, 2000. Therefore, applying the same percentage and rounding up in accordance with 38 CFR 3.29, the following increased rates and income limitations for the VA pension and parents' DIC programs will be effective December 1, 2000:

TABLE 1.—IMPROVED PENSION

Maximum annual rates

- (1) Veterans permanently and totally disabled (38 U.S.C. 1521):
 - Veteran with no dependents, \$9,304
 - Veteran with one dependent, \$12,186
 - For each additional dependent, \$1,586
- (2) Veterans in need of aid and attendance (38 U.S.C. 1521):
 - Veteran with no dependents, \$15,524
 - Veteran with one dependent, \$18,405
 - For each additional dependent, \$1,586
- (3) Veterans who are housebound (38 U.S.C. 1521):
 - Veteran with no dependents, \$11,372
 - Veteran with one dependent, \$14,253
 - For each additional dependent, \$1,586
- (4) Two veterans married to one another, combined rates (38 U.S.C. 1521):
 - Neither veteran in need of aid and attendance or housebound, \$12,186
 - Either veteran in need of aid and attendance, \$18,405
 - Both veterans in need of aid and attendance, \$23,979
 - Either veteran housebound, \$14,253
 - Both veterans housebound, \$16,322
 - One veteran housebound and one veteran in need of aid and attendance, \$20,470
 - For each dependent child, \$1,586
- (5) Surviving spouse alone and with a child or children of the deceased veteran in custody of the surviving spouse (38 U.S.C. 1541):
 - Surviving spouse alone, \$6,237
 - Surviving spouse and one child in his or her custody, \$8,168
 - For each additional child in his or her custody, \$1,586
- (6) Surviving spouses in need of aid and attendance (38 U.S.C. 1541):
 - Surviving spouse alone, \$9,973
 - Surviving spouse with one child in custody, \$11,900
 - Surviving Spouse of Spanish-American War veteran alone, \$10,618
 - Surviving Spouse of Spanish-American War veteran with one child in custody, \$12,544
 - For each additional child in his or her custody, \$1,586
- (7) Surviving spouses who are housebound (38 U.S.C. 1541):
 - Surviving spouse alone, \$7,625
 - Surviving spouse and one child in his or her custody, \$9,551
 - For each additional child in his or her custody, \$1,586
- (8) Surviving child alone (38 U.S.C. 1542), \$1,586

Reduction for income. The rate payable is the applicable maximum rate minus the countable annual income of the eligible person. (38 U.S.C. 1521, 1541 and 1542).

Mexican border period and World War I veterans. The applicable maximum annual rate payable to a Mexican border period or World War I veteran under this table shall be increased by \$2,109. (38 U.S.C. 1521(g))

Parent's DIC

DIC shall be paid monthly to parents of a deceased veteran in the following amounts (38 U.S.C. 1315):

TABLE 2

One parent. If there is only one parent, the monthly rate of DIC paid to such parent shall be \$445 reduced on the basis of the parent's annual income according to the following formula:
For each \$1 of annual income:

The \$445 Monthly Rate

Shall be reduced by	Which is more than	But not more than
\$0.00	0	\$800
.08	\$800	10,584

No DIC is payable under this table if annual income exceeds \$10,584.

One parent who has remarried. If there is only one parent and the parent has remarried and is living with the parent's spouse, DIC shall be paid under Table 2 or under Table 4, whichever shall result in the greater benefit being paid to the veteran's parent. In the case of remarriage, the total combined annual income of the parent and the parent's spouse shall be counted in determining the monthly rate of DIC.

Two parents not living together. The rates in Table 3 apply to (1) two parents who are not living together, or (2) an unmarried parent when both parents are living and the other parent has remarried. The monthly rate of DIC paid to each such parent shall be \$320 reduced on the basis of each parent's annual income, according to the following formula:

TABLE 3

For each \$1 of annual income:

The \$320 Monthly Rate

Shall be reduced by	Which is more than	But not more than
\$0.00	0	\$800
.06	\$800	900
.07	900	1,100
.08	1,100	10,584

No DIC is payable under this table if annual income exceeds \$10,584.

Two parents living together or remarried parents living with spouses. The rates in Table 4 apply to each parent living with another parent; and each remarried parent, when both parents are alive. The monthly rate of DIC paid to such parents will be \$300 reduced on the basis of the combined annual income of the two parents living together or the remarried parent or parents and spouse or spouses, as computed under the following formula:

TABLE 4

For each \$1 of annual income:

The \$300 monthly rate

Shall be reduced by	Which is more than	But not more than
\$.00	0	\$1,000
.03	\$1,000	1,500
.04	1,500	1,900
.05	1,900	2,400
.06	2,400	2,900
.07	2,900	3,200
.08	3,200	14,228

No DIC is payable under this table if combined annual income exceeds \$14,228.

The rates in this table are also applicable in the case of one surviving parent who has remarried, computed on the basis of the combined income of the parent and spouse, if this would be a greater benefit than that specified in Table 2 for one parent.

Aid and attendance. The monthly rate of DIC payable to a parent under Tables 2 through 4 shall be increased by \$239 if such parent is (1) a patient in a nursing home, or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.

Minimum rate. The monthly rate of DIC payable to any parent under Tables 2 through 4 shall not be less than \$5.

TABLE 5.—SECTION 306 PENSION INCOME LIMITATIONS

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- (1) Veteran or surviving spouse with no dependents, \$10,584 (Pub. L. 95-588, section 306(a)).
 - (2) Veteran with no dependents in need of aid and attendance, \$11,084 (38 U.S.C. 1521(d) as in effect on December 31, 1978).
 - (3) Veteran or surviving spouse with one or more dependents, \$14,228 (Pub. L. 95-588, section 306(a)).
 - (4) Veteran with one or more dependents in need of aid and attendance, \$14,728 (38 U.S.C. 1521(d) as in effect on December 31, 1978).
 - (5) Child (no entitled veteran or surviving spouse), \$8,651 (Pub. L. 95-588, section 306(a)).
 - (6) Spouse income exclusion (38 CFR 3.262), \$3,377 (Pub. L. 95-588, section 306(a)(2)(B)).
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TABLE 6.—OLD-LAW PENSION INCOME LIMITATIONS

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- (1) Veteran or surviving spouse without dependents or an entitled child, \$9,265 (Pub. L. 95-588, section 306(b)).
 - (2) Veteran or surviving spouse with one or more dependents, \$13,357 (Pub. L. 95-588, section 306(b)).
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Spina Bifida Benefits

Section 421 of Public Law 104-204 added a new chapter 18 to title 38, United States Code, authorizing VA to provide certain benefits, including a monthly monetary allowance, to children born with spina bifida who are natural children of veterans who served in the Republic of Vietnam during the Vietnam era. Pursuant to 38 U.S.C. 1805(b)(3), spina bifida rates are subject to adjustment under the provisions of 38 U.S.C. 5312, which provides for the adjustment of certain VA benefit rates whenever there is an increase in benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 *et seq.*). Effective December 1, 2000, spina bifida monthly rates are as follows:

Level I—\$221
Level II—\$770
Level III—\$1,317

Dated: March 19, 2001.

Anthony J. Principi,
Secretary of Veterans Affairs.

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