

(1) Have a pressure relief to prevent bursting of the container by excessive internal pressures.

(2) The discharge end of each discharge line from a pressure relief connection must be located so the discharge of the fire extinguishing agent would not damage the airplane. The line must also be located or protected to prevent clogging caused by ice or other foreign matter.

(3) A means must be provided for each fire extinguishing agent container to indicate that the container has discharged or that the charging pressure is below the established minimum necessary for proper functioning.

(4) The temperature of each container must be maintained, under intended operating conditions, to prevent the pressure in the container from falling below that necessary to provide an adequate rate of discharge, or rising high enough to cause premature discharge; and

(5) If a pyrotechnic capsule is used to discharge the fire extinguishing agent each container must be installed so that temperature conditions will not cause hazardous deterioration of the pyrotechnic capsule.

(d) Fire extinguisher system materials must meet the following requirements:

(1) No material in any fire extinguishing system may react chemically with any extinguishing agent so as to create a hazard, and

(2) Each system component in an engine compartment must be fireproof.

Issued in Kansas City, Missouri on January 14, 2002.

James E. Jackson,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 02-2143 Filed 1-28-02; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-107100-00]

RIN 1545-AY26

Disallowance of Deductions and Credits for Failure To File Timely Return

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulations and notice of public hearing.

SUMMARY: This document contains proposed regulations relating to the

disallowance of deductions and credits for nonresident alien individuals and foreign corporations that fail to file a timely U.S. income tax return. The current regulations permit nonresident aliens and foreign corporations the benefit of deductions and credits only if they timely file a U.S. income tax return in accordance with subtitle F of the Internal Revenue Code, unless the Commissioner waives the filing deadlines. The temporary regulations revise the waiver standard. The text of the temporary regulations on this subject in this issue of the **Federal Register** also serves as the text of these proposed regulations set forth in this cross-referenced notice of proposed rulemaking. This document also provides notice of a public hearing on these proposed regulations.

DATES: Written comments must be received by April 29, 2002. Requests to speak and outlines of topics to be discussed at the public hearing scheduled for June 3, 2002, at 10 a.m. must be received by May 13, 2002.

ADDRESSES: Send submissions to: CC:ITA:RU (REG-107100-00), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 5 p.m. to: CC:ITA:RU (REG-107100-00), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit comments electronically via the Internet by selecting the "Tax Regs" option on the IRS Home Page, or by submitting comments directly to the IRS Internet site at http://www.irs.ustreas.gov/tax_regs/regslst.html. The public hearing will be held in the auditorium, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Concerning the regulations, Nina E. Chowdhry, (202) 622-3880; concerning submissions, the hearing, and/or to be placed on the building access list to attend the hearing, Donna Poindexter, (202) 622-7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** amend the Income Tax Regulations (26 CFR part 1) relating to sections 874 and 882. These temporary regulations contain rules relating to the disallowance of deductions and credits for nonresident alien individuals and foreign

corporations that fail to file a timely U.S. income tax return.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations and, because these regulations do not impose on small entities a collection of information requirement, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Therefore, a Regulatory Flexibility Analysis is not required. Pursuant to section 7805(f) of the Internal Revenue Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any electronic or written comments (a signed original and eight (8) copies) that are submitted timely to the IRS. Treasury and the IRS request comments on the clarity of the proposed rule and how it may be made easier to understand. All comments will be made available for public inspection and copying.

A public hearing has been scheduled for June 3, at 10 a.m., in the auditorium, Internal Revenue Building, 1111 Constitution Ave., NW., Washington, DC. All visitors must present photo identification to enter the building. Because of access restrictions, visitors will not be admitted beyond the immediate entrance area more than 15 minutes before the hearing starts. For information about having your name placed on the building access list to attend the hearing, see the **FOR FURTHER INFORMATION CONTACT** section of this preamble.

The rules of 26 CFR 601.601(a)(3) apply to this hearing. Persons who wish to present oral comments at the hearing must submit electronic or written comments and an outline of the topics to be discussed and the time to be devoted to each topic (signed original and eight (8) copies) by April 29, 2002. A period of 10 minutes will be allotted to each person for making comments. An agenda showing the scheduling of the speakers will be prepared after the deadline for receiving outlines has passed. Copies of the agenda will be available free of charge at the hearing.

Drafting Information

The principal author of these regulations is Nina Chowdhry of the Office of Associate Chief Counsel (International). However, other personnel from the IRS and Treasury Department participated in their development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 is amended by adding entries in numerical order to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

Section 1.874-1 also issued under 26 U.S.C. 874. * * *

Section 1.882-4 also issued under 26 U.S.C. 882(c). * * *

Par. 2. Section 1.874-1 is amended by:

- 1. Revising paragraph (b)(2).
- 2. Paragraphs (b)(3) and (b)(4) are redesignated as paragraphs (b)(5) and (b)(6), respectively.
- 3. New paragraphs (b)(3) and (b)(4) are added.

The revision and additions read as follows:

§ 1.874-1 Allowance of deductions and credits to nonresident alien individuals.

* * * * *

(b)(2) through (4) [The text of proposed paragraphs (b)(2), (3), and (4) is the same as the text of § 1.874-1T(b)(2), (3), and (4) published elsewhere in this issue of the **Federal Register**].

* * * * *

Par. 3. Section 1.882-4 is amended by:

- 1. Revising paragraph (a)(3)(ii).
- 2. Paragraphs (a)(3)(iii) through (a)(3)(v) are redesignated as paragraphs (a)(3)(v) through (a)(3)(vii), respectively.
- 3. New paragraphs (a)(3)(iii) and (iv) are added.

The revision and additions read as follows:

§ 1.882-4 Allowance of deductions and credits to foreign corporations.

* * * * *

(a)(3)(ii) through (iv) [The text of proposed paragraphs (a)(3)(ii) through (iv) is the same as the text of § 1.882-4T(a)(3)(ii) through (iv) published

elsewhere in this issue of the **Federal Register**].

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Robert E. Wenzel,

Deputy Commissioner of Internal Revenue.

[FR Doc. 02-2045 Filed 1-28-02; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-142299-01 and REG-209135-88]

RIN 1545-BA36 and 1545-AW92

Certain Transfers of Property to Regulated Investment Companies and Real Estate Investment Trusts; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: This document contains corrections to REG-142299-01 and REG-209135-88 that was published in the **Federal Register** on January 2, 2002 (67 FR 48). These regulations apply to certain transactions or events that result in a Regulated Investment Company [RIC] or Real Estate Investment Trust [REIT] owning property that has a basis determined by reference to a C corporation's basis in the property.

DATES: This correction is effective January 2, 2002.

FOR FURTHER INFORMATION CONTACT: Lisa A. Fuller (202) 622-7750 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking that is the subject of these corrections is under section 337(d) of the Internal Revenue Code.

Need for Correction

As published, REG-142299-01 and REG 209135-88 contains errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication REG-142299-01 and REG-209135-88, which is the subject of FR. Doc. 01-31968, is corrected as follows:

- 1. On page 49, column 2, in the preamble under the paragraph heading “*Background*”, lines 14 and 15, the language “property to a RIC or REIT,

then the RIC or REIT will be subject either to section”, is corrected to read “property to a RIC or REIT, then either the RIC or REIT will be subject to section”.

LaNita Van Dyke,

Acting Chief, Regulations Unit, Associate Chief Counsel (Income Tax and Accounting).

[FR Doc. 02-2155 Filed 1-28-02; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 165

[CGD01-02-002]

RIN 2115-AA97

Safety and Security Zone; Pilgrim Nuclear Power Plant, Plymouth, MA

AGENCY: Coast Guard, DOT.

ACTION: Notice of proposed rulemaking; notice of meeting.

SUMMARY: The Coast Guard is proposing to establish permanent safety and security zones around the Pilgrim Nuclear Power Plant in Cape Cod Bay, Plymouth, MA. The safety and security zones will close all waters within an approximate 1000-yard distance from the plant, and will also close shore areas adjacent to the plant. The safety and security zones will prohibit entry into or movement within a portion of Cape Cod Bay and adjacent shore areas and are needed to ensure public safety and prevent sabotage or terrorist acts.

DATES: Comments and related materials must reach the Coast Guard on or before April 15, 2002. A public meeting will take place on Wednesday, February 6, 2002, at 7 p.m.

ADDRESSES: You may mail comments and related material to Marine Safety Office Boston, 455 Commercial Street, Boston, MA 02109. Marine Safety Office Boston maintains the public docket for this rulemaking. Comments and materials received from the public, as well as documents indicated in this preamble as being available in the docket, will become part of the docket and will be available for inspection or copying at Marine Safety Office Boston between the hours of 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays. The meeting will take place at the Plymouth Elks Club located on Long Pond Road, Plymouth, MA. This notice will be made available online at www.uscg.mil/d1/units/msobos/.

FOR FURTHER INFORMATION CONTACT: LT Dave Sherry, Marine Safety Office