

to sections 337(d) and 1502. The text of those regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations contains a full explanation of the reasons underlying the issuance of the proposed regulations.

### Special Analyses

It has been determined that this Treasury decision is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It is hereby certified that these regulations do not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that these regulations will primarily affect affiliated groups of corporations that have elected to file consolidated returns, which tend to be larger businesses, and, moreover, that any burden on taxpayers is minimal. Therefore, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required. Pursuant to section 7805(f) of the Internal Revenue Code, these regulations will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

### Comments and Public Hearing

The IRS and Treasury are undertaking a study of the various approaches that could be implemented to give full effect to section 337(d) and to reflect the single entity principles of the consolidated return rules. Among the approaches the IRS and Treasury are studying is one that would deny positive investment adjustments for gain recognized and income attributable to the disposition or consumption of built-in gain assets held by the subsidiary at the time it joined the consolidated group. In addition, the IRS and Treasury are considering allowing selling groups to deduct subsidiary stock losses that would otherwise reflect duplicated loss, if the subsidiary reduces its attributes (including net operating loss carryovers and asset basis) immediately prior to the disposition. Comments are requested concerning any approaches that may be employed to allow appropriate losses in a manner that is administrable for both taxpayers and the government.

Before these proposed regulations are adopted as final regulations, consideration will be given to any electronic and written comments (a signed original and eight (8) copies) that are submitted timely to the IRS. All comments will be available for public inspection and copying. A public hearing has been scheduled for July 17,

2002, at 10 a.m., in the IRS Auditorium, IRS Building, 1111 Constitution, NW., Washington, DC. Because of access restrictions, visitors will not be admitted beyond the building lobby more than 15 minutes before the hearing starts.

### Drafting Information

The principal authors of these regulations are Sean P. Duffley and Lola L. Johnson, Office of Associate Chief Counsel (Corporate). However, other personnel from the IRS and Treasury participated in their development.

### Proposed Amendments to the Regulations

Accordingly, 26 CFR parts 1 and 602 are proposed to be amended as follows:

#### PART 1—INCOME TAXES

**Paragraph 1.** The authority citation for part 1 continues to read in part as follows:

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

**Par. 2.** Section 1.337(d)-2 is added to read as follows:

#### § 1.337(d)-2 Loss limitation window period.

[The text of this proposed section is the same as the text of § 1.337(d)-2T published elsewhere in this issue of the **Federal Register**].

**Par. 3.** In § 1.1502-20, paragraph (i) is added to read as follows:

#### § 1.1502-20 Disposition or deconsolidation of subsidiary stock.

[The text of this proposed section is the same as the text of § 1.1502-20T(i) published elsewhere in this issue of the **Federal Register**].

**Par. 4.** In § 1.1502-32, paragraph (b)(4)(v) is added to read as follows:

#### § 1.1502-32 Investment adjustments.

[The text of this proposed section is the same as the text of § 1.1502-32T(b)(4)(v) published elsewhere in this issue of the **Federal Register**].

**Robert E. Wenzel,**

*Deputy Commissioner of Internal Revenue.*

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## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 141

[FRL-7157-4]

### Unregulated Contaminant Monitoring Regulation for Public Water Systems; Establishment of Reporting Date

**AGENCY:** Environmental Protection Agency.

**ACTION:** Proposed rule.

**SUMMARY:** This action proposes to establish August 9, 2002, as a new, later date by which large public water systems serving more than 10,000 persons must report all contaminant monitoring laboratory results they receive before May 13, 2002, for the unregulated contaminant monitoring Regulation (UCMR) monitoring program. Monitoring results received on or after May 13, 2002, would have to be reported within 30 days following the month in which laboratory results are received, as specified in the current regulation for this program.

**DATES:** Comments must be received in writing by April 11, 2002.

**ADDRESSES:** Please send an original and three copies of your comments and enclosures (including references) to docket number W-00-01-IV, Comment Clerk, Water Docket (MC4101), USEPA, 1200 Pennsylvania Ave., NW Washington, DC 20460. Due to the uncertainty of mail delivery in the Washington DC area, in order to ensure that your comments are received, please also send a separate copy of your comments to Greg Carroll, USEPA, 26 West Martin Luther King Drive, MC-140, Cincinnati, Ohio 45268. Hand deliveries should be delivered to EPA's Water Docket at 401 M. St., Room EB57, Washington, DC. Commenters who want EPA to acknowledge receipt of their comments should enclose a self-addressed, stamped envelope. No facsimiles (faxes) will be accepted. Comments may also be submitted electronically to [ow-docket@epamail.epa.gov](mailto:ow-docket@epamail.epa.gov). Electronic comments must be submitted as a Word Perfect (WP), WP5.1, WP6.1 or WP8 file or as an ASCII file avoiding the use of special characters and forms of encryption. Electronic comments must be identified by the docket number W-00-01-IV. Comments and data will also be accepted on disks in WP 5.1, 6.1, 8 or ASCII file format. Electronic comments on this proposed rule may be filed online at many Federal Depository Libraries.

The record for this proposed rulemaking has been established under

docket number W-00-01-IV and includes supporting documentation as well as printed, paper versions of electronic comments. The record is available for inspection from 9 to 4 p.m., Monday through Friday, excluding legal holidays at the Water Docket, EB 57, USEPA Headquarters, 401 M. St., SW, Washington, DC. For access to docket materials, please call 202/260-3027 to schedule an appointment.

**FOR FURTHER INFORMATION CONTACT:**

Jeffrey Bryan (202) 564-3942, Drinking Water Protection Division, Office of Ground Water and Drinking Water (MC-4606-M), U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW., Washington, DC 20460. General information about UCMR may be obtained from the EPA Safe Drinking Water Hotline at (800) 426-4791. The Hotline operates Monday through Friday, excluding Federal holidays, from 9 a.m. to 5:30 p.m. ET.

**SUPPLEMENTARY INFORMATION:**

EPA is proposing to approve a revision to the UCMR for Public Water Systems. In the "Rules and Regulations" section of today's **Federal Register**, EPA is approving a revision to the Unregulated Contaminant Monitoring Regulation for Public Water Systems as a direct final rule without prior proposal because EPA views this as noncontroversial revision and anticipates no adverse comment. EPA has explained our reasons for this approval in the preamble to the direct final rule. If EPA receives no adverse comment, it will not take further action on this proposed rule. If EPA receives adverse comment, the Agency will withdraw the direct final rule and it will not take effect. EPA would then address all public comments in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period on this action. Any parties interested in commenting must do so at this time. For further information, please see the information provided in the direct final rule titled "Unregulated Contaminant Monitoring Regulation for Public Water Systems; Establishment of Reporting Date" that is located in the "Rules and Regulations" section of this **Federal Register** publication. For the various statutes and executive orders that require findings for rulemaking, EPA incorporates the findings from the direct final rule into this companion proposal for the purpose of providing public notice and opportunity for comment.

**List of Subjects in 40 CFR Part 141**

Environmental protection, Chemicals, Indian lands, Intergovernmental

relations, Radiation protection, Reporting and recordkeeping requirements, Water supply.

Dated: March 7, 2002.

**Christine Todd Whitman**,  
*Administrator*.

[FR Doc. 02-6017 Filed 3-11-02; 8:45 am]

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**FEDERAL EMERGENCY  
MANAGEMENT AGENCY**

**44 CFR Part 67**

**[Docket No. FEMA-D-7526]**

**Proposed Flood Elevation  
Determinations**

**AGENCY:** Federal Emergency Management Agency, FEMA.

**ACTION:** Proposed rule.

**SUMMARY:** Technical information or comments are requested on the proposed base (1% annual chance) flood elevations and proposed base flood elevation modifications for the communities listed below. The base flood elevations are the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

**DATES:** The comment period is ninety (90) days following the second publication of this proposed rule in a newspaper of local circulation in each community.

**ADDRESSES:** The proposed base flood elevations for each community are available for inspection at the office of the Chief Executive Officer of each community. The respective addresses are listed in the following table.

**FOR FURTHER INFORMATION CONTACT:** Matthew B. Miller, P.E., Chief, Hazards Study Branch, Federal Insurance and Mitigation Administration, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646-3461, or (e-mail) [matt.miller@fema.gov](mailto:matt.miller@fema.gov).

**SUPPLEMENTARY INFORMATION:** The Federal Emergency Management Agency (FEMA or Agency) proposes to make determinations of base flood elevations and modified base flood elevations for each community listed below, in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR 67.4(a).

These proposed base flood and modified base flood elevations, together

with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own, or pursuant to policies established by other Federal, state or regional entities. These proposed elevations are used to meet the floodplain management requirements of the NFIP and are also used to calculate the appropriate flood insurance premium rates for new buildings built after these elevations are made final, and for the contents in these buildings.

**National Environmental Policy Act**

This proposed rule is categorically excluded from the requirements of 44 CFR part 10, Environmental Consideration. No environmental impact assessment has been prepared.

**Regulatory Flexibility Act**

The Acting Executive Associate Director, Mitigation Directorate, certifies that this proposed rule is exempt from the requirements of the Regulatory Flexibility Act because proposed or modified base flood elevations are required by the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and are required to establish and maintain community eligibility in the NFIP. As a result, a regulatory flexibility analysis has not been prepared.

**Regulatory Classification**

This proposed rule is not a significant regulatory action under the criteria of Section 3(f) of Executive Order 12866 of September 30, 1993, Regulatory Planning and Review, 58 FR 51735.

**Executive Order 12612, Federalism**

This proposed rule involves no policies that have federalism implications under Executive Order 12612, Federalism, dated October 26, 1987.

**Executive Order 12778, Civil Justice Reform**

This proposed rule meets the applicable standards of Section 2(b)(2) of Executive Order 12778.

**List of Subjects in 44 CFR Part 67**

Administrative practice and procedure, Flood insurance, Reporting and recordkeeping requirements.

Accordingly, 44 CFR Part 67 is proposed to be amended as follows: