

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-137519-01]

RIN 1545-BA09

Consolidated Returns; Applicability of Other Provisions of Law; Non-Applicability of Section 357(c); Hearing Cancellation

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Cancellation of notice of public hearing on proposed rulemaking.

SUMMARY: This document provides notice of cancellation of a public hearing on proposed regulations relating to consolidated returns; applicability of other provisions of law; non-applicability of section 357(c).

DATES: The public hearing originally scheduled for Thursday, March 21, 2002, at 10 a.m is cancelled.

FOR FURTHER INFORMATION CONTACT: Donna Poindexter of the Regulations Unit, Associate Chief Counsel (Income Tax and Accounting), (202) 622-7180 (not a toll-free number).

SUPPLEMENTARY INFORMATION: A notice of proposed rulemaking and notice of public hearing that appeared in the *Federal Register* on November 14, 2001 (66 FR 57021), announced that a public hearing was scheduled for March 21, 2002, at 10 a.m., in Room 4718, Internal Revenue Service Building, 1111 Constitution Avenue, NW, Washington, DC. The subject of the public hearing is proposed regulations under section 357(c) of the Internal Revenue Code. The public comment period for these proposed regulations expired on February 28, 2002.

The notice of proposed rulemaking and notice of public hearing instructed those interested in testifying at the public hearing to submit a request to speak and an outline of the topics to be addressed. As of February 28, 2002, no one has requested to speak. Therefore, the public hearing scheduled for March 21, 2002, is cancelled.

Cynthia E. Grigsby,

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

[FR Doc. 02-6607 Filed 3-15-02; 10:08 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-112991-01]

RIN 1545-AY82

Credit for Increasing Research Activities; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains corrections to a notice of proposed rulemaking and notice of public hearing relating to the computation of the research credit. This document was published in the *Federal Register* on December 26, 2001 (66 FR 66362).

FOR FURTHER INFORMATION CONTACT: Lisa J. Shuman (202) 622-3120 (not a toll-free number).

SUPPLEMENTARY INFORMATION:**Background**

The proposed regulations that are the subject of these corrections are under sections 41(c) and 41(d) of the Internal Revenue Code.

Need for Correction

As published, the proposed regulations REG-112991-01, contains errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the proposed regulations REG-112991-01, which is the subject of FR. Doc. 01-31007, is corrected as follows:

§ 1.41-3 [Corrected]

1. On page 66368, column 1, § 1.41-3, paragraph (e), line 3, the language “ending on or after the date December 21” is corrected to read “ending on or after December 26”.

§ 1.41-4 [Corrected]

2. On page 66369, column 1, § 1.41-4, paragraph (a)(8), paragraph (i) of *Example 2.*, line 3 from the bottom of paragraph, the language “tests the nozzles to ensure that to ensure that” is corrected to read “tests the nozzles to ensure that”.

3. On page 66369, column 1, § 1.41-4, paragraph (a)(8), paragraph (ii) of *Example 2.*, line 2 the language “painting process is a separate business” is corrected to read “painting process relate to a separate business”.

4. On page 66369, column 3, § 1.41-4, paragraph (a)(8), paragraph (i) of *Example 6.*, lines 5 through 8 from the bottom of the paragraph, the language “X conducts extensive and complex scientific or laboratory testing to determine if the current model vehicle meets X’s requirements.” is removed.

5. On page 66370, column 3, § 1.41-4, paragraph (c)(6), line 2 of the paragraph heading, the language “years beginning on or after the” is corrected to read “years beginning on or after”.

6. On page 66371, column 2, § 1.41-4, paragraph (c)(6)(iv)(C), line 1 of the column, the language “leased, licensed or otherwise marketed” is corrected to read “leased, licensed, or otherwise marketed”.

7. On page 66371, column 2, § 1.41-4, paragraph (c)(6)(vi)(C), line 2 from the bottom of the paragraph, the language “paragraphs (c)(6)(v)(A) and (B) of this” is corrected to read “paragraphs (c)(6)(vi)(A) and (B) of this”.

8. On page 66371, column 3, § 1.41-4, paragraph (c)(6)(viii), paragraph (i) of *Example 2.*, line 3, the language “order to create an improved reserve valuation” is corrected to read “order to create the improved reserve valuation”.

9. On page 66372, column 3, § 1.41-4, paragraph (c)(6), paragraph (ii) of *Example 7.*, line 1, the language “(ii) *Conclusion.* X’s software is software” is corrected to read “(ii) *Conclusion.* X’s software is”.

10. On page 66375, column 1, § 1.41-4, paragraph (c)(10), paragraph (i) of *Example 6.*, line 1 the language “*Example 6. (i) Facts.* X manufacturer and” is corrected to read “*Example 6. (i) Facts.* X manufacturers and”.

11. On page 66375, column 2, § 1.41-4, paragraph (c)(10), paragraph (1) of *Example 7.* is correctly designated § 1.41-4, paragraph (c)(10), paragraph (i) of *Example 7.*

12. On page 66375, column 2, § 1.41-4, paragraph (c)(10), newly designated paragraph (i) of *Example 7.*, line 9, the language “purchases the existing robotic equipment for” is corrected to read “purchases existing robotic equipment for”.

13. On page 66375, column 3, § 1.41-4, paragraph (e), line 4, the language “December 26, 2002.” is corrected to read “December 26, 2001.”.

§ 1.41-8 [Corrected]

14. On page 66375, column 3, § 1.41-8, paragraph (b)(4), line 4, the language