

DEPARTMENT OF THE TREASURY**Internal Revenue Service**

[REG-209817-96]

Proposed Collection; Comment Request for Regulation Project**AGENCY:** Internal Revenue Service (IRS), Treasury.**ACTION:** Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning an existing notice of proposed rulemaking, REG-209817-96, Treatment of Obligation-Shifting Transactions (§ 1.7701(l)-2).

DATES: Written comments should be received on or before November 15, 2002, to be assured of consideration.

ADDRESSES: Direct all written comments to Glenn P. Kirkland, Internal Revenue Service, room 6411, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of regulations should be directed to Carol Savage, (202) 622-3945, or through the Internet (CAROL.A.SAVAGE@irs.gov), Internal Revenue Service, room 6407, 1111 Constitution Avenue NW., Washington, DC 20224.

SUPPLEMENTARY INFORMATION:

Title: Treatment of Obligation-Shifting Transactions.

OMB Number: 1545-1515.

Regulation Project Number: REG-209817-96.

Abstract: This regulation relates to the treatment of certain multiple-party financing transactions in which one party realizes income from leases or similar agreements and another party claims deductions related to that income. In order to prevent tax avoidance, this regulation recharacterizes these transactions in a manner that clearly reflects income. The regulation affects only persons that engage in these transactions. The regulation generally does not apply to routine transactions lacking characteristics of tax avoidance.

Current Actions: There is no change to this existing regulation.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit organizations.

Estimated Number of Recordkeepers: 100.

Estimated Time Per Recordkeeper: 5 hours.

Estimated Total Annual Recordkeeping Burden: 500.

The following paragraph applies to all of the collections of information covered by this notice:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Request for Comments

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Approved: September 10, 2002

Glenn P. Kirkland,

IRS Reports Clearance Officer.

[FR Doc. 02-23500 Filed 9-13-02; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF VETERANS AFFAIRS**Privacy Act of 1974; System of Records**

AGENCY: Department of Veterans Affairs.

ACTION: Notice of a new system of records—National Veterans Museum Donation Records—VA.

SUMMARY: As required by the Privacy Act of 1974, 5 U.S.C. 552a(e), notice is hereby given that the Department of Veterans Affairs (VA) is adding a new system of records, "National Veterans Museum Donation Records—VA" (120VA047).

DATES: To assure consideration, written comments mailed to the Department as provided below must be postmarked no later than October 16, 2002, and written comments hand delivered to the Department and comments submitted electronically must be received as provided below, no later than 5 p.m. Eastern Time on October 16, 2002. If no public comment is received during the 30-day review period allowed for public comment, or unless otherwise published in the **Federal Register** by VA, the new system of records statement is effective October 16, 2002.

ADDRESSES: You may mail or hand-deliver written comments concerning the proposed new system of records to the Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420; or fax comments to (202) 273-9289; or e-mail comments to "OGCRegulations@mail.va.gov." All relevant material received before October 16, 2002 will be considered. Comments will be available for public inspection at the above address in the Office of Regulations Management, Room 1158, between the hours of 8 a.m. and 4:30 p.m., Monday through Friday (except holidays).

FOR FURTHER INFORMATION CONTACT: Peter Mulhern, Office of Financial Policy (047GC1), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 273-5570.

SUPPLEMENTARY INFORMATION:**I. Description of the Proposed System of Records**

In accordance with 38 U.S.C. 8301, the Secretary of Veterans Affairs may accept gifts, devise, and bequests. The donor or testator may specify the particular purpose of the gift, devise, or bequest. The Secretary may also accept, for use in carrying out all laws administered by the Secretary, gifts, devise, and bequests that will enhance the Secretary's ability to provide services or benefits. VA maintains information on individual donors making gifts and donations to the National Veterans Museum. This information includes the name of the donor, home address, telephone number, the amount of the gift, whether the gift was made with cash, check or credit card, and the credit card number

and expiration date. Much of the credit card information will be derived from VA Form 5579a, "Donations To National Veterans Museum (Via Credit Card)." The information maintained on individual donors is used to process payments associated with the gifts or donations, as well as to provide a database for future correspondence with the donors.

II. Proposed Routine Use Disclosures of Data in the System

VA is proposing to establish the following routine use disclosures of the information that will be maintained in the system.

1. The record of an individual who is covered by this system may be disclosed to a Member of Congress, or a staff person acting for the member, when the member or staff person requests the record on behalf of and at the written request of the individual.

Individuals sometimes request the help of a Member of Congress in resolving some issue relating to a matter before VA. The Member of Congress then writes VA, and VA must be able to give sufficient information to be responsive to the inquiry.

2. Disclosure may be made to the National Archives and Records Administration (NARA) in records management inspections conducted under authority of Title 44 U.S.C.

NARA is responsible for archiving old records no longer actively used, but which may be appropriate for preservation. NARA is responsible in general for the maintenance of the Federal Government's records. VA must be able to turn records over to NARA in order to determine the proper disposition of such records.

3. Records from this system of records may be disclosed to the Department of Justice (DOJ) (including U.S. Attorneys) or in a proceeding before a court, adjudicative body, or other administrative body when litigation or the adjudicative or administrative process is likely to affect VA, its employees or any of its components; or when VA, its employees, or any of its components is a party to the litigation or process, or has an interest in the litigation or process, and the use of such records is deemed by VA to be relevant and necessary to the litigation or process; provided, however, that the disclosure is compatible with the purpose for which the records were collected.

Whenever VA is involved in litigation or an adjudicative or administrative process, or occasionally when another party is involved in litigation or an adjudicative or administrative process

and VA policies or operations could be affected by the outcome of the litigation or process, VA would be able to disclose information to the court, the adjudicative or administrative bodies, or the parties involved. A determination would be made in each instance that, under the circumstances involved, the purpose served by the use of the information in the particular litigation or process is compatible with a purpose for which VA collects the information.

4. Disclosure of relevant information may be made to individuals, organizations, private or public agencies, or other entities with whom VA has a contract or agreement or where there is a subcontract to perform such services as VA may deem practicable for the purposes of laws administered by VA, in order for the contractor or subcontractor to perform the services of the contract or agreement.

VA must be able to provide information to contractors and subcontractors with whom VA has a contract or agreement in order to perform the services of the contract or agreement.

5. VA may disclose on its own initiative any information in this system that is relevant to a suspected or reasonably imminent violation of law, whether civil, criminal, or regulatory in nature and whether arising by general or program statute or by regulation, rule, or order issued pursuant thereto, to a Federal, State, local, tribal, or foreign agency charged with the responsibility of investigating or prosecuting such violation, or charged with enforcing or implementing the statute, regulation, rule, or order.

VA must be able to comply with the requirements of agencies charged with enforcing the law and investigations of violations or possible violations of law. VA must also be able to provide information to Federal, State, local, tribal and foreign agencies charged with protecting the public health as set forth in law.

6. Disclosure to other Federal agencies may be made to assist such agencies in preventing and detecting possible fraud or abuse by individuals in their operations and programs.

Abuse of Federal programs costs the Federal Government and taxpayers large sums of money every year. Information contained in VA records may help detect and/or prevent fraud and abuse of other agency programs. VA must be able to assist other Federal agencies in their efforts to detect and prevent fraud and abuse in their programs.

III. Compatibility of the Proposed Routine Use Disclosures

The Privacy Act permits VA to disclose information about individuals without their consent for a routine use when the information will be used for a purpose that is compatible with the purpose for which VA collected the information. In all of the routine use disclosures described above, the recipient of the information will use the information either in connection with a matter relating to one of VA's programs, or will use the information to provide a benefit to VA, or will disclose as required by law.

The notice of intent to publish and an advance copy of the system notice have been sent to the appropriate Congressional committees and to the Director of the Office of Management and Budget (OMB) as required by 5 U.S.C. 552a(r) (Privacy Act) and guidelines issued by OMB on December 12, 2000 (65FR77677).

Approved: August 30, 2002.

Anthony J. Principi,
Secretary of Veterans Affairs.

120VA047

SYSTEM NAME:

National Veterans Museum Donation Records—VA.

SYSTEM LOCATION:

VA Central Office, Washington, DC; Financial Services Center, Austin, Texas; at the offices of contractors and subcontractors; and VA field facilities.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All individuals making gifts or donations to the National Veterans Museum.

CATEGORIES OF RECORDS IN THE SYSTEM:

These records include, but are not limited to: name, home address, telephone number, type of gift or donation (check/credit card/cash), amount of gift or donation, credit card number, expiration date of credit card, date of payment process.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

38 U.S.C. 8301.

PURPOSE(S):

These records are used to process payments associated with the gifts or donations to the National Veterans Museum, as well as to provide a database for future correspondence with the donors.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

1. The record of an individual who is covered by this system may be disclosed to a Member of Congress, or a staff person acting for the member, when the member or staff person requests the record on behalf of and at the written request of the individual.

2. Disclosure may be made to the National Archives and Records Administration (NARA) in records management inspections conducted under authority of Title 44 U.S.C.

3. Records from this system of records may be disclosed to the Department of Justice (DOJ) (including U.S. Attorneys) or in a proceeding before a court, adjudicative body, or other administrative body when litigation or the adjudicative or administrative process is likely to affect VA, its employees or any of its components; or when VA, its employees, or any of its components is a party to the litigation or process, or has an interest in the litigation or process, and the use of such records is deemed by VA to be relevant and necessary to the litigation or process; provided, however, that the disclosure is compatible with the purpose for which the records were collected.

4. Disclosure of relevant information may be made to individuals, organizations, private or public agencies, or other entities with whom VA has a contract or agreement or where there is a subcontract to perform such services as VA may deem practicable for the purposes of laws administered by VA, in order for the contractor or

subcontractor to perform the services of the contract or agreement.

5. VA may disclose on its own initiative any information in this system that is relevant to a suspected or reasonably imminent violation of law, whether civil, criminal, or regulatory in nature and whether arising by general or program statute or by regulation, rule, or order issued pursuant thereto, to a Federal, State, local, tribal, or foreign agency charged with the responsibility of investigating or prosecuting such violation, or charged with enforcing or implementing the statute, regulation, rule, or order.

6. Disclosure to other Federal agencies may be made to assist such agencies in preventing and detecting possible fraud or abuse by individuals in their operations and programs.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**STORAGE:**

Paper documents and electronic storage media.

RETRIEVABILITY:

These records may be retrieved using various combinations of name or identification number (credit card number) of the individual on whom the records are maintained.

SAFEGUARDS:

Access to these records is restricted to authorized VA employees, contractors, or subcontractors on a "need to know" basis. Offices where these records are maintained are locked after working hours and are protected from outside access by the Federal Protective Service,

other security officers, and alarm systems. Access to computerized records is restricted to authorized VA employees, contractors, or subcontractors by means of unique user identification and passwords.

RETENTION AND DISPOSAL:

Paper records and electronic storage media are maintained and disposed of in accordance with the NARA records schedules.

SYSTEM MANAGER(S) AND ADDRESS:

Deputy Assistant Secretary for Finance (047), VA Central Office, Washington, DC 20420.

NOTIFICATION PROCEDURE:

Individuals seeking information concerning the existence of a record pertaining to them must submit a written request to the VA station where the records are maintained. Such request must contain a reasonable description of the records requested. In addition, identification of the individual requesting the information will be required in the written request and will consist of the requester's name, signature, and address, as a minimum.

RECORD ACCESS PROCEDURE:

(See Notification procedure above.)

CONTESTING RECORD PROCEDURE:

(See Notification procedure above.)

RECORD SOURCE CATEGORIES:

Information received from individuals.

[FR Doc. 02-23405 Filed 9-13-02; 8:45 am]

BILLING CODE 8320-01-P