

SUPPLEMENTARY INFORMATION:**Discussion**

What action has FAA taken to date? We issued proposals to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include two ADs that would apply to Cessna Models 401, 401A, 401B, 402, 402A, 402B, 402C, 411, and 411A, 414A airplanes. These proposals (Docket Nos. 2002-CE-05-AD and 2002-CE-57-AD) were published in the **Federal Register** as notices of proposed rulemaking (NPRMs) on May 15, 2003 (68 FR 26239 and 68 FR 26244). The NPRMs proposed the following:

- Docket No. 2002-CE-05-AD: applies to Cessna Models 401, 401A, 401B, 402, 402A, 402B, 411, and 411A airplanes and proposed to supersede AD 79-10-15 R2 with a new AD that would require one of the following (depending on the aircraft configuration):

—For airplanes that do not incorporate one of the specified Cessna Service Kits: Repetitively inspect the wing spar caps for fatigue cracks and repair or replace the wing spar caps as necessary and incorporate a spar strap modification on each wing spar; or

—For airplanes that incorporate one of the specified Cessna Service Kits: Repetitively inspect the wing spar caps for fatigue cracks and repair or replace the wing spar caps as necessary.

- Docket No. 2002-CE-57-AD: applies to Cessna Models 402C and 414A airplanes and proposed to supersede AD 2000-23-01 with a new AD that would require you to:

—Inspect the wing spar caps for fatigue cracks;

—Repair or replace the wing spar caps as necessary; and

—Incorporate a spar strap modification on each wing spar.

Was the public invited to comment? The FAA invited interested persons to participate in the making of these amendments during the original 75-day comment periods. We extended the comment periods for another 30 days and then reopened the comment periods for another 60 days. We received numerous comments on the NPRMs.

In addition, we held a public meeting on March 3 and 4, 2004, in Herndon, Virginia. The public meeting allowed an open flow of communication among the FAA, the public, and industry on issues related to the NPRMs.

What is FAA's determination of the best course of action? After analyzing all information related to this subject, the FAA has decided not to issue the ADs as proposed. We have determined that the best way to address the unsafe condition is for FAA, the public, and

industry to develop alternative solutions to address the unsafe condition. We will repropose ADs after alternative solutions are developed.

Future Action

Does this mean the FAA cannot take regulatory action in the future? No. Withdrawal of these NPRMs does not prevent us from issuing other regulatory action in the future, and it does not commit us to any future action. In fact, we plan to propose and issue further rulemaking on this subject after alternative solutions are identified and developed. We fully expect one of the options in such a proposed action would be the incorporation of the Cessna service information and repetitive inspections with appropriate compliance schedules.

How can I be part of the solution? The FAA, the public, and industry need to continue the discussion on this issue. The FAA is planning a second public meeting. Details of this meeting will be published in the **Federal Register** and made available on the Internet.

Regulatory Impact

Does this AD involve a significant rule or regulatory action? Since this action only withdraws two proposed ADs, it is not an AD and, therefore, is not covered under Executive Order 12866, the Regulatory Flexibility Act, or DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979).

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Withdrawal

Accordingly, FAA withdraws the following notices of proposed rulemaking:

- Docket No. 2002-CE-05-AD, which was published in the **Federal Register** on May 15, 2003 (68 FR 26239); and

- Docket No. 2002-CE-57-AD, which was published in the **Federal Register** on May 15, 2003 (68 FR 26244).

Issued in Kansas City, Missouri, on May 18, 2004.

James E. Jackson,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 04-11705 Filed 5-24-04; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY**Internal Revenue Service****26 CFR Part 1**

[REG-106590-00; REG-138499-02]

RIN 1545-AX95; RIN 1545-BB05

Depreciation of MACRS Property That Is Acquired in a Like-Kind Exchange or as a Result of an Involuntary Conversion; Hearing Cancellation

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Cancellation of public hearing on proposed rulemaking.

SUMMARY: This document relates to a cancellation of a public hearing for proposed regulations that provide guidance on how to depreciate MACRS property acquired in a like-kind exchange under section 1031 or as a result of an involuntary conversion under section 1033 when both the acquired and relinquished property are subject to MACRS in the hands of the acquiring taxpayer.

DATES: The public hearing originally scheduled for June 3, 2004, at 10 a.m., is cancelled.

FOR FURTHER INFORMATION CONTACT: Robin R. Jones of the Publications and Regulations Branch, Legal Processing Division at (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 Monday, March 1, 2004 (69 FR 9560), announced that a public hearing was scheduled for June 3, 2004, at 10 a.m., in the auditorium. The subject of the public hearing is proposed regulations under section 168 of the Internal Revenue Code. The public comment period for these regulations expired on June 1, 2004. The outlines of oral comments were due on May 13, 2004.

The notice of proposed rulemaking and notice of public hearing instructed those who are interested in testifying at the public hearing to submit an outline of the topics to be addressed. As of Wednesday, May 19, 2004, no one has requested to speak. Therefore, the public hearing scheduled for June 3, 2004, is cancelled.

Cynthia E. Grigsby,

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[FR Doc. 04-11809 Filed 5-24-04; 8:45 am]

BILLING CODE 4830-01-P