

submitted timely to the IRS. The IRS and Treasury Department request comments on the clarity of the proposed rules and how they can be made easier to understand. All comments will be available for public inspection and copying. A public hearing will be scheduled if requested in writing by any person that timely submits written or electronic comments. If a public hearing is scheduled, notice of the date, time, and place for the public hearing will be published in the **Federal Register**.

Drafting Information

The principal author of these proposed regulations is William F. Barry, Office of the Associate Chief Counsel (Corporate). 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 an entry in numerical order to read in part as follows:

Authority: 26 U.S.C. 7805 * * * Section 1.1502-13 also issued under 26 U.S.C. 1502. * * *

Par. 2. Section 1.1502-13 is amended by adding paragraph (c)(7)(ii), *Example 13*(c), (d), and (e), and paragraph (c)(7)(iii) to read as follows:

§ 1.1502-13 Intercompany transactions.

* * * * *

- (c) * * *
- (7) * * *
- (ii) * * *

Example 13. * * *

(c) *Deduction for incentive payment on single entity basis.* B is a manufacturer that sells its products to independent dealers for resale. S is a credit company that offers financing, including financing to customers of the independent dealers. During Year 1, B initiates a program of incentive payments. Under B's program, an independent dealer sells product to a customer under a retail installment sales contract (RISC) in which the customer agrees to pay for the product over the term of the contract at a below market interest rate. The customer purchases the product from the independent dealer and enters into a RISC. The RISC has a face amount of \$100 but a fair market value of \$90. The independent dealer assigns the RISC to S in exchange for a \$100 payment from S. B pays \$10 to S to compensate S for

the \$10 overpayment to the independent dealer. Assume that under their respective separate entity accounting methods, B would deduct the \$10 payment in Year 1, and S would take a \$90 basis in the RISC and would take the \$10 into account over the term of the RISC. Assume that, if S and B were divisions of a single corporation, the \$10 overpayment to the independent dealer would be deductible in Year 1 and the basis of the RISC would be \$90.

(d) *Timing and attributes.* Under paragraph (b)(1) of this section, the incentive payment transaction is an intercompany transaction. Under paragraph (b)(2)(iii) of this section, S has a \$10 intercompany item not yet taken into account under its separate entity method of accounting. Under the matching rule, S takes its intercompany item into account to reflect the difference between B's corresponding item taken into account and the recomputed corresponding item. In Year 1, there is no difference between B's \$10 deduction taken into account and the \$10 recomputed deduction. Accordingly, under the matching rule, S does not take the \$10 incentive payment into account as intercompany income in Year 1. Instead, S takes the \$10 into income over the term of the RISC. S's basis in the RISC is \$90.

(e) *No intercompany transaction.* B is a manufacturer that sells its products to independent dealers for resale. S is a credit company that offers financing to purchasers of goods and services, including the independent dealers. During Year 1, B initiates a program of incentive payments to the independent dealers. Under B's program, S loans \$100 to an independent dealer at a below market interest rate to finance the independent dealer's purchase of product from B. The independent dealer issues a note to S at a below market interest rate. B pays \$10 to S to compensate S for the below market interest rate on the note. Under § 1.1273-2(g)(4), the payment from B to S is treated as a payment from B to the independent dealer and then as a payment from the independent dealer to S. Because the incentive payment is treated as being made by a member of the group to a nonmember, the transaction is not an intercompany transaction under paragraph (b)(1) of this section. Therefore, § 1.1502-13 is not applicable.

* * * * *

(iii) *Effective date.* Paragraphs (c), (d), and (e) of this *Example 13* are proposed to apply to any consolidated return year for which the due date of the income tax return (without regard to extensions) is on or after the date that is sixty days after the date these regulations are filed as final regulations with the **Federal Register**.

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Mark E. Matthews,
Deputy Commissioner for Services and Enforcement.
[FR Doc. 04-18557 Filed 8-12-04; 8:45 am]
BILLING CODE 4830-01-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 156 and 165

[OPP-2004-0049; FRL-7674-4]

RIN 2070-AB95

Standards for Pesticide Containers and Containment; Extension of Comment Period

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule; extension of comment period.

SUMMARY: EPA issued a notice in the **Federal Register** of June 30, 2004 to reopen the comment period for the 1994 proposed rule on pesticide containers and containment structures to solicit public input on issues or technology that would not have been available or could not have been addressed during previous public comment opportunities. This document is extending the comment period for 30 days beyond the current August 16, 2004 deadline.

DATES: Comments, identified by docket identification (ID) number OPP-2004-0049 must be received on or before September 15, 2004.

ADDRESSES: Follow the detailed instructions for submitting comments as provided in the **ADDRESSES** section of the **Federal Register** document of June 30, 2004 (OPP-2004-0049; 69 FR 39392). In addition, comments may be submitted through the Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the online instructions for submitting comments.

FOR FURTHER INFORMATION CONTACT: Nancy Fitz, Field and External Affairs Division, (7506C), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave., NW., Washington, DC 20460-0001; telephone number: (703) 305-7385; fax number: (703) 308-3259; e-mail address: fitz.nancy@epa.gov.

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does This Action Apply to Me?

The Agency included in the proposed rule and the supplemental notice a list of those who may be potentially affected by this action. If you have questions regarding the applicability of this action to a particular entity, consult the person listed under **FOR FURTHER INFORMATION CONTACT**.

B. How Can I Access Electronic Copies of This Document and Other Related Information?

In addition to using EDOCKET (<http://www.epa.gov/edocket/>), you may access this **Federal Register** document electronically through the EPA Internet under the "**Federal Register**" listings at <http://www.epa.gov/fedrgstr/>. A frequently updated electronic version of 40 CFR parts 156 and 165 is available at E-CFR Beta Site Two at <http://www.gpoaccess.gov/ecfr/>.

II. What Action is EPA Taking?

This document extends the public comment period established in the **Federal Register** of June 30, 2004 (69 FR 39392). In that document, EPA reopened the comment period for the rulemaking titled "Standards for Pesticide Containers and Containment," which was proposed on February 11, 1994 (59 FR 6712). In that document, EPA sought comment on proposed regulations for pesticide container design and residue removal and for containment structures at pesticide storage and container refilling operations. Because significant time has passed since the proposed rule in 1994 and a supplemental notice in 1999 (64 FR 56918, Oct. 21, 1999), EPA reopened the comment period for an additional 45 days to solicit public input on issues or technology relating to the proposed requirements that would not have been available or could not have been addressed during previous public comment opportunities. EPA is hereby extending the comment period, which was set to end on August 16, 2004, to September 15, 2004.

III. What is the Agency's Authority for Taking This Action?

The Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) sections 19(e) and (f) grant EPA broad authority to establish standards and procedures to assure the safe use, reuse, storage, and disposal of pesticide containers. FIFRA section 19(e) requires EPA to promulgate regulations for "the design of pesticide containers that will promote the safe storage and disposal of pesticides."

A request to extend the comment period in order to gather data for a response was received after the publication of the June 30, 2004 notice in the **Federal Register**. EPA is hereby extending the comment period by 30 days.

IV. Do Any Statutory and Executive Order Reviews Apply to this Action?

This notice neither proposes nor takes final action regarding any substantive requirements and is procedural in

nature. This notice merely keeps the docket open for further comments on a rule that has already been proposed. Therefore, it is not subject to the statutory and executive order reviews generally applicable to proposed and final rules.

List of Subjects in 40 CFR Parts 156 and 165

Environmental protection, Packaging and containers, Pesticides and pests.

Dated: August 4, 2004.

Susan B. Hazen,

Acting Assistant Administrator for Prevention, Pesticides, and Toxic Substances.
[FR Doc. 04-18601 Filed 8-12-04; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 300

[FRL-7796-6]

National Priorities List for Uncontrolled Hazardous Waste Site, Proposed Rule

AGENCY: Environmental Protection Agency.

ACTION: Proposed Rule.

SUMMARY: The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA" or "the Act"), as amended, requires that the National Oil and Hazardous Substances Pollution Contingency Plan ("NCP") include a list of national priorities among the known releases or threatened releases of hazardous substances, pollutants, or contaminants throughout the United States. The National Priorities List ("NPL") constitutes this list. The NPL is intended primarily to guide the Environmental Protection Agency ("EPA" or "the Agency") in determining which sites warrant further investigation. These further investigations will allow EPA to assess the nature and extent of public health and environmental risks associated with the site and to determine what CERCLA-financed remedial action(s), if any, may be appropriate. This rule proposes two different options to add certain areas on and around the islands of Vieques and Culebra, Commonwealth of Puerto Rico, to the NPL. The Commonwealth has identified these areas collectively in its listing request as the Atlantic Fleet Weapons Training Area ("AFWTA").

DATES: Comments regarding this proposed listing must be submitted (postmarked) on or before October 12, 2004.

ADDRESSES: By electronic access: Go directly to EPA Dockets at <http://www.epa.gov/edocket> and follow the online instructions for submitting comments. Once in the system, select "search," and then key Docket ID No. SFUND-2004-0011. The system is an "anonymous access" system, which means EPA will not know your identity, e-mail address, or other contact information unless you provide it in the body of your comment.

By Postal Mail: Mail original and three copies of comments (no facsimiles or tapes) to Docket Coordinator, Headquarters; U.S. Environmental Protection Agency; CERCLA Docket Office; (Mail Code 5305T); 1200 Pennsylvania Avenue NW.; Washington, DC 20460, Attention Docket ID No. SFUND-2004-0011.

By Express Mail or Courier: Send original and three copies of comments (no facsimiles or tapes) to Docket Coordinator, Headquarters; U.S. Environmental Protection Agency; CERCLA Docket Office; 1301 Constitution Avenue; EPA West, Room B102, Washington, DC 20004, Attention Docket ID No. SFUND-2004-0011. Such deliveries are only accepted during the Docket's normal hours of operation (8:30 a.m. to 4:30 p.m., Monday through Friday excluding Federal holidays).

By E-Mail: Comments in ASCII format only may be mailed directly to superfund.docket@epa.gov. Cite the Docket ID No. SFUND-2004-0011 in your electronic file. Please note that EPA's e-mail system automatically captures your e-mail address and is included as part of the comment that is placed in the public docket, and made available in EPA's electronic public docket.

For additional Docket addresses and further details on their contents, see section II, "Public Review/Public Comment," of the **SUPPLEMENTARY INFORMATION** portion of this preamble.

FOR FURTHER INFORMATION CONTACT: Terry Jeng, phone (703) 603-8852, State, Tribal and Site Identification Branch; Assessment and Remediation Division; Office of Superfund Remediation and Technology Innovation (Mail Code 5204G); U.S. Environmental Protection Agency; 1200 Pennsylvania Avenue NW., Washington, DC 20460; or the Superfund Hotline, Phone (800) 424-9346 or (703) 412-9810 in the Washington, DC, metropolitan area.

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