

DC 20044. Submissions may be hand-delivered between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-106418-05), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent electronically, via the IRS Internet site at <http://www.irs.gov/reg> or via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS-REG-106418-05).

**FOR FURTHER INFORMATION CONTACT:**

Concerning the proposed regulations, Kate Y. Hwa, (202) 622-3840; concerning submissions of comments, Treena Garrett, (202) 622-3401 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background**

Temporary regulations in Rules and Regulations section of this issue of the **Federal Register** amend the Income Tax Regulations (26 CFR part 1) relating to the rules under section 954(i) of the Internal Revenue Code (Code) for determining whether a controlled foreign corporation's (CFC's) distributive share of partnership income is excluded from foreign personal holding company income under the exception contained in section 954(i). The text of the temporary regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the temporary regulations and these proposed regulations.

**Special Analyses**

It has been determined that this proposed regulation is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedures Act (5 U.S.C. chapter 5) does not apply to these regulations and, because the regulation does not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

**Comments and Requests for Public Hearing**

Before these proposed regulations are adopted as final regulations, consideration will be given to any written (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. The IRS and the 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 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**.

The IRS and the Treasury Department have become aware of possible uncertainty regarding the application of section 956 in certain transactions involving foreign partnerships. The IRS and the Treasury Department therefore also request comments regarding the proper application of section 956 in the case of a loan by a CFC to a foreign partnership in which one or more partners are domestic corporations that are U.S. shareholders of the CFC. Specifically, comments are requested regarding the circumstances, if any, under which the loan to the foreign partnership should be considered to be the obligation of such partners and, thus, U.S. property for purposes of section 956. The IRS and the Treasury Department are particularly interested in the relevance of (1) the consistent application of section 956 to CFC loans to foreign partnerships, domestic partnerships, foreign branches, and disregarded entities of U.S. shareholders; (2) the foreign partnership's status as a foreign person; (3) the partners' liability for the partnership's debt under local foreign law; (4) the use of the loan proceeds in business activities located inside or outside of the United States; and (5) the fact that the CFC earnings loaned to the partnership would not have been deferred had they been earned by the partnership.

**Drafting Information**

The principal author of these regulations is Kate Y. Hwa of the Office of the Associate Chief Counsel (International), IRS. However, other personnel from the IRS and the 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 26 CFR part 1 continues to read, in part, as follows:

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

**Par. 2.** Section 1.954-2 is amended by revising paragraphs (a)(5)(ii)(C) and (a)(5)(iii) *Example 2* to read as follows:

**§ 1.954-2 Foreign personal holding company income.**

(a) \* \* \*

(5) \* \* \*

(ii) \* \* \*

(C) [The text of the proposed amendment to § 1.954-2(a)(5)(ii)(C) is the same as the text for § 1.954-2T(a)(5)(ii)(C) published elsewhere in this issue of the **Federal Register**.]

(iii) \* \* \*

*Example 2.* [The text of proposed § 1.954-2(a)(5)(iii) *Example 2* is the same as the text of § 1.954-2T(a)(5)(iii) *Example 2* published elsewhere in this issue of the **Federal Register**.]

\* \* \* \* \*

**Mark E. Matthews,**

*Deputy Commissioner for Services and Enforcement.*

[FR Doc. E6-356 Filed 1-13-06; 8:45 am]

**BILLING CODE 4830-01-P**

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 301**

[REG-131739-03]

**RIN 1545-BC45**

**Substitute for Return; Hearing**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice of public hearing on proposed rulemaking.

**SUMMARY:** This document provides notice of public hearing on proposed regulations relating to the IRS preparing or executing returns for persons who fail to make required returns.

**DATES:** The public hearing is being held on Wednesday, March 8, 2006, at 10 a.m. The IRS must receive outlines of the topics to be discussed at the hearing by Wednesday, February 15, 2006.

**ADDRESSES:** The public hearing is being held in the IRS Auditorium, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC. Due to building security procedures, visitors must enter at the Constitution Avenue entrance. In addition, all visitors must present photo identification to enter the building.

Mail outlines to: CC:PA:LPD:PR (REG-131739-03), room 5203, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-131739-03), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit outlines electronically via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS and [notice.comment@irs.counsel.treas.gov](mailto:notice.comment@irs.counsel.treas.gov) (REG-131739-03).

**FOR FURTHER INFORMATION CONTACT:**

Concerning submissions of comments, the hearing, and/or to be placed on the building access list to attend the hearing Treena Garrett, (202) 622-7180 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:** The subject of the public hearing is the notice of proposed rulemaking (REG-131739-03) that was published in the **Federal Register** on Monday, July 18, 2005 (70 FR 41165).

The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who have submitted written or electronic comments and wish to present oral comments at the hearing must submit an outline of the topics to be discussed and the amount of time to be devoted to each topic (signed original and eight (8) copies) by February 15, 2006.

A period of 10 minutes is allotted to each person for presenting oral comments. After the deadline for receiving outlines has passed, the IRS will prepare an agenda containing the schedule of speakers. Copies of the agenda will be made available, free of charge, at the hearing. Because of access restrictions, the IRS will not admit visitors beyond the immediate entrance area more than 30 minutes before the hearing starts. For information about having your name placed on the building access list to attend the hearing, see the **FOR FURTHER INFORMATION CONTACT** section of this document.

**Guy R. Traynor,**

*Federal Register Liaison, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel, Procedures and Administration.*

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**BILLING CODE 4830-01-P**

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 301**

[REG-150088-02]

RIN 1545-BB96

**Miscellaneous Changes to Collection Due Process Procedures Relating to Notice and Opportunity for Hearing Upon Filing of Notice of Federal Tax Lien; Hearing Cancellation**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

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

**SUMMARY:** This document cancels a public hearing on proposed regulations relating to a taxpayer's right to a hearing under section 6320 of the Internal Revenue Code of 1986 after the filing of a notice of Federal tax lien (NFTL).

**DATES:** The public hearing originally scheduled for January 19, 2006, at 10 a.m., is cancelled.

**FOR FURTHER INFORMATION CONTACT:**

Robin R. Jones of the Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration), 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 September 16, 2006 (70 FR 54681), announced that a public hearing was scheduled for January 19, 2005, at 10 a.m., in the IRS Auditorium, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. The subject of the public hearing is under section 6320 of the Internal Revenue Code. The public comment period for these regulations expired on December 29, 2005.

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 Monday, January, 9, 2006, no one has requested to speak. Therefore, the public hearing scheduled for January 19, 2006, is cancelled.

**LaNita VanDyke,**

*Federal Register Liaison Officer, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel, Procedure and Administration.*

[FR Doc. E6-365 Filed 1-13-06; 8:45 am]

**BILLING CODE 4830-01-P**

**DEPARTMENT OF COMMERCE**

**Patent and Trademark Office**

**37 CFR Part 2**

[Docket No. 2003-T-009]

RIN 0651-AB56

**Miscellaneous Changes to Trademark Trial and Appeal Board Rules**

**AGENCY:** United States Patent and Trademark Office, Commerce.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The United States Patent and Trademark Office (Office) proposes to amend its rules to require plaintiffs in Trademark Trial and Appeal Board (Board) inter partes proceedings to serve on defendants their complaints or claims; to utilize in Board inter partes proceedings a modified form of the disclosure practices included in the Federal Rules of Civil Procedure; and to delete the option of making submissions to the Board in CD-ROM form. In addition, certain amendments clarify rules, conform the rules to current practice, and correct typographical errors or deviations from standard terminology.

**DATES:** Comments must be received by March 20, 2006 to ensure consideration.

**ADDRESSES:** Submit comments by electronic mail (e-mail) to [AB56Comments@uspto.gov](mailto:AB56Comments@uspto.gov). Written comments may be submitted by mail to: Trademark Trial and Appeal Board, P.O. Box 1451, Alexandria, VA 22313-1451, attention Gerard F. Rogers; or by hand delivery to Trademark Assistance Center, Concourse Level, James Madison Building-East Wing, 600 Dulany Street, Alexandria, Virginia, attention Gerard F. Rogers.

Comments may also be sent by electronic mail message over the Internet via the Federal eRulemaking Portal. See the Federal eRulemaking Portal Web site (<http://www.regulations.gov>) for additional instructions on providing comments via the Federal eRulemaking Portal.

**FOR FURTHER INFORMATION CONTACT:**

Gerard F. Rogers, Trademark Trial and Appeal Board, by telephone at (571) 272-4299, by e-mail to [gerard.rogers@uspto.gov](mailto:gerard.rogers@uspto.gov), or by facsimile at 571-273-0059.

**SUPPLEMENTARY INFORMATION:** The Office proposes to increase the efficiency of the processes for commencing inter partes cases, in light of the Board's deployment in recent years of electronic filing options and the increased availability and use of facsimile and e-