

(e) The provisions set forth in this section are applicable for as long as the Agreement remains in effect.

**Deborah J. Spero,**

*Acting Commissioner, Bureau of Customs and Border Protection.*

Approved: May 25, 2006.

**Timothy E. Skud,**

*Deputy Assistant Secretary of the Treasury.*

[FR Doc. E6-8500 Filed 5-31-06; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-111578-06]

RIN 1545-BF56

#### Computer Software Under Section 199(c)(5)(B)

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

**ACTION:** Notice of proposed rulemaking by cross-reference to temporary regulations and notice of public hearing.

**SUMMARY:** In the Rules and Regulations section of this issue of the **Federal Register**, the IRS is issuing temporary regulations concerning the application of section 199 of the Internal Revenue Code, which provides a deduction for income attributable to domestic production activities, to certain transactions involving computer software. The text of those regulations also serves as the text of these proposed regulations. This document also provides notice of a public hearing on these proposed regulations.

**DATES:** Written or electronic comments must be received by August 30, 2006. Outlines of topics to be discussed at the public hearing scheduled for Tuesday, August 29, 2006, must be received by August 8, 2006.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG-111578-06), 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-111578-06), 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/regs> or via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS-REG-111578-06). The public hearing will be held in the IRS Auditorium, Internal

Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:**

Concerning the regulations, Paul Handleman or Lauren Ross Taylor, (202) 622-3040; concerning submission of comments, the hearing, and/or to be placed on the building access list to attend the hearing, Richard A. Hurst, (202) 622-7180 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background**

Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** amend the Income Tax Regulations (26 CFR part 1) relating to section 199. The temporary regulations provide guidance under section 199 for taxpayers providing computer software to customers for the customers' direct use while connected to the Internet. The text of those regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the amendments.

**Special Analyses**

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and because the regulations do 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 Internal Revenue Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

**Comments and Public Hearing**

Before these proposed regulations are adopted as final regulations, consideration will be given to any written comments (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. Comments are requested on all aspects of the proposed regulations. In addition, the IRS and Treasury Department specifically 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 has been scheduled for Tuesday, August 29, 2006, at 10 a.m. 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. Because of access restrictions, visitors will not be admitted 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 preamble.

The rules of 26 CFR 601.601(a)(3) apply to the hearing.

Persons who wish to present oral comments at the hearing must submit electronic or written comments and an outline of the topics to be discussed and the time to be devoted to each topic (a signed original and eight (8) copies) by August 8, 2006. A period of 10 minutes will be allotted to each person for making comments. An agenda showing the scheduling of the speakers will be prepared after the deadline for receiving outlines has passed. Copies of the agenda will be available free of charge at the hearing.

**Drafting Information**

The principal authors of these regulations are Paul Handleman and Lauren Ross Taylor, Office of Associate Chief Counsel (Passthroughs and Special Industries), IRS. 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 continues to read, in part as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*  
Section 1.199-3 also issued under 26 U.S.C. 199(d). \* \* \*  
Section 1.199-8 also issued under 26 U.S.C. 199(d). \* \* \*

**Par. 2.** Section 1.199-3 is amended to read as follows:

**§ 1.199-3 Domestic production gross receipts.**

[The text of the amendments to this proposed section is the same as the text of § 1.199-3T published elsewhere in this issue of the **Federal Register**.]

**Par. 3.** Section 1.199-8 is amended to read as follows:

**§ 1.199-8 Other rules.**

[The text of the amendments to this proposed section is the same as the text of § 1.199-8T published elsewhere in this issue of the **Federal Register**.]

**Mark E. Mathews,**

*Deputy Commissioner for Services and Enforcement.*

[FR Doc. 06-4827 Filed 5-24-06; 11:47 am]

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**ENVIRONMENTAL PROTECTION AGENCY****40 CFR Part 52**

[EPA-R05-OAR-2006-0052; FRL-8177-9]

**Approval and Promulgation of Air Quality Implementation Plans; Ohio: Carbon Monoxide Maintenance Plan Updates; Limited Maintenance Plan**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is proposing to approve an October 20, 2005, request from Ohio for a State Implementation Plan (SIP) revision of the Cuyahoga County carbon monoxide (CO) maintenance plan. The CO maintenance plan revision is an update to the current approved maintenance plan and continues to demonstrate maintenance of the CO National Ambient Air Quality Standard (NAAQS) for an additional 10 years. The maintenance plan revision is submitted as a limited maintenance plan for the Cuyahoga County, Ohio carbon monoxide area. This submittal is to meet a requirement under the Clean Air Act.

**DATES:** Comments must be received on or before July 3, 2006.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R05-OAR-2006-0052, by one of the following methods:

- <http://www.regulations.gov>: Follow the on-line instructions for submitting comments.

- E-mail: [mooney.john@epa.gov](mailto:mooney.john@epa.gov).

- Fax: (312)886-5824.

- Mail: John M. Mooney, Chief, Criteria Pollutant Section, (AR-18J), Air Programs Branch, Air and Radiation Division, U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.

- Hand Delivery: John M. Mooney, Chief, Criteria Pollutant Section, (AR-18J), Air Programs Branch, Air and Radiation Division, U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.

Such deliveries are only accepted during the Regional Office normal hours of operation, and special arrangements should be made for deliveries of boxed information. The Regional Office official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m. excluding Federal holidays.

Please see the direct final rule which is located in the Rules section of this **Federal Register** for detailed instructions on how to submit comments.

**FOR FURTHER INFORMATION CONTACT:**

Patricia Morris, Environmental Scientist, Criteria Pollutant Section, Air Programs Branch (AR-18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 353-8656, [morris.patricia@epa.gov](mailto:morris.patricia@epa.gov).

**SUPPLEMENTARY INFORMATION:** In the Final Rules section of this **Federal Register**, EPA is approving the State's SIP submittal as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this rule, no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time. Please note that if EPA receives adverse comment on an amendment, paragraph, or section of this rule and if that provision may be severed from the remainder of the rule, EPA may adopt as final those provisions of the rule that are not the subject of an adverse comment. For additional information, see the direct final rule which is located in the Rules section of this **Federal Register**.

Dated: May 19, 2006.

**Norman Niedergang,**

*Acting Regional Administrator, Region 5.*

[FR Doc. 06-5014 Filed 5-31-06; 8:45 am]

BILLING CODE 6560-50-P

**ENVIRONMENTAL PROTECTION AGENCY****40 CFR Part 52**

[EPA-R05-OAR-2006-0354; FRL-8177-7]

**Approval and Promulgation of Air Quality Implementation Plans; Ohio: Proposal To Approve Revision to Ohio State Implementation Plan To Rescind Oxides of Nitrogen Rule**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** EPA is proposing to approve a revision to the Ohio State Implementation Plan (SIP) to rescind a rule which originally affected stationary combustion sources located within Priority I regions of the State and, new sources regardless of location. The rule revision we are proposing to approve also applies to nitric acid manufacture. EPA is proposing to approve this rule rescission because we agree with Ohio that the rescinded rule is no longer the limiting regulation for any oxides of nitrogen (NO<sub>x</sub>) emission units in the State. The rule was originally approved over 30 years ago and has been superseded by a number of State regulations and Federal Regulations of equivalent or more stringent nature. The Ohio NO<sub>x</sub> SIP Call rules and Federal emissions standards for utility and industrial units all have greater potential for reducing emissions of NO<sub>x</sub> and improving human health than does the State's rescinded rule. Rescinding this rule removes any confusion in the affected community over which rule applies to NO<sub>x</sub> sources in Ohio. EPA believes that an approval of this rule revision request would have no adverse effect on air quality.

**DATES:** Comments must be received on or before July 3, 2006.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R05-OAR-2006-0354, by one of the following methods:

- <http://www.regulations.gov>: Follow the on-line instructions for submitting comments.

- E-mail: [mooney.john@epa.gov](mailto:mooney.john@epa.gov).

- Fax: (312) 886-5824.

- Mail: John M. Mooney, Chief, Criteria Pollutant Section, (AR-18J), Air Program Branch, U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.

- Hand Delivery: John M. Mooney, Chief, Criteria Pollutant Section, (AR-18J), Air Program Branch, U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago,