

Dated: March 29, 2007.

John C. Dugan,

Comptroller of the Currency, Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System, April 3, 2007.

Jennifer J. Johnson,

Secretary of the Board.

Dated at Washington, DC, this 20th day of March, 2007.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

Dated: April 2, 2007.

By the Office of Thrift Supervision.

John M. Reich,

Director.

[FR Doc. 07-1716 Filed 4-9-07; 8:45 am]

BILLING CODE 4810-33-P; 6210-01-P; 6714-01-P; 6720-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA-2006-24826; Airspace Docket No. 06-ANM-3]

Establishment of Class E Airspace; Nucla, CO

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; correction.

SUMMARY: This action corrects an error in the northwest boundary description of a final rule that was published in the *Federal Register* on February 23, 2007 (72 FR 8100) Federal Register Docket No. FAA-2006-24826, Airspace Docket No. 06-ANM-3.

DATES: *Effective Date:* 0901 UTC, May 10, 2007. The Director of the Federal Register approves this incorporation by reference action under 1 CFR part 51, subject to the annual revision of FAA Order 7400.9 and publication of conforming amendments.

FOR FURTHER INFORMATION CONTACT: Ed Haeseker, Federal Aviation Administration, Western Service Area, System Support Group, 1601 Lind Avenue, SW., Renton, WA 98057; telephone: (425) 917-6714.

SUPPLEMENTARY INFORMATION:

History

Federal Register Docket FAA-2006-24826, Airspace Docket No. 06-ANM-3, published on February 23, 2007 (72 FR 8100), establishes Class E Airspace at Hopkins Field, Nucla, CO, effective May 10, 2007. An error was discovered in the northwest geographic boundary of the

Class E airspace. This action corrects this error.

Correction to Final Rule

■ Accordingly, pursuant to the authority delegated to me, the legal description as published in the *Federal Register* February 23, 2007 (72 FR 8100), Federal Register Docket No. FAA-2006-24826, Airspace Docket No. 06-ANM-3, and incorporated by reference in 14 CFR 71.1, is corrected as follows:

PART 71—[AMENDED]

§ 71.1 [Amended]

* * * * *

ANM CO E5 Nucla, CO [Corrected]

Hopkins Field, CO

(Lat. 38°14'20" N., long. 108°33'48" W.)

That airspace extending upward from 700 feet above the surface within a 6.0-mile radius of Hopkins Field and within 4 miles each side of the 317° bearing from Hopkins Field extending from the 6.0-mile radius of Hopkins Field northwest to 12.0 miles from Hopkins Field; that airspace extending upward from 1,200 feet above the surface beginning at lat. 38°45'00" N., long. 109°00'00" W.; to lat. 38°30'00" N., long. 108°30'00" W.; to CONES VOR/DME; to DOVE CREEK VORTAC; to lat. 38°30'00" N., long. 109°10'00" W.; to point of beginning.

* * * * *

Issued in Seattle, Washington, on March 30, 2007.

Steven M. Osterdahl,

Director of Operations, En Route and Oceanic, Western Service Area.

[FR Doc. E7-6649 Filed 4-9-07; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9322]

RIN 1545-BG26

Anti-Avoidance and Anti-Loss Reimportation Rules Applicable Following a Loss on Disposition of Stock of Consolidated Subsidiaries

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and temporary regulations.

SUMMARY: This document contains final and temporary regulations under section 1502 of the Internal Revenue Code (Code). These regulations provide guidance to corporations filing consolidated returns. These regulations apply an anti-avoidance rule and revise

an anti-loss reimportation rule that applies following a disposition of stock of a subsidiary at a loss. The text of the temporary regulations also serves as the text of the proposed regulations (REG-156420-06) set forth in the notice of proposed rulemaking on this subject in the Proposed Rules section in this issue of the *Federal Register*.

DATES: *Effective Date:* These regulations are effective April 10, 2007.

Applicability Date: For dates of applicability, see §§ 1.1502-32T(k) and 1.1502-35T(j)(2).

FOR FURTHER INFORMATION CONTACT:

Theresa Abell, (202) 622-7700 or Phoebe Bennett, (202) 622-7770 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background and Explanation of Provisions

Section 1.1502-35 currently addresses loss duplication. The rule generally applies whenever there is a disposition of loss shares of subsidiary stock or a subsidiary is deconsolidated. The regulation includes several specific anti-abuse rules, including a rule intended to prevent a group from getting the benefit of a loss on the stock of one of its subsidiaries and then reimporting the same economic loss back to into the group (or its successor) in order to claim a duplicative benefit from the one loss.

The current anti-loss reimportation rule generally disallows reimported losses that duplicate a loss recognized and allowed with respect to the disposition of subsidiary stock. The term "subsidiary" is defined in § 1.1502-1(c) to mean a corporation that is a member of a consolidated group but is not the common parent of the group. Taxpayers have attempted to avoid the anti-loss reimportation rule by first deconsolidating a subsidiary and then selling loss shares of the subsidiary's stock. The loss on the stock is one that was reflected in the subsidiary's attributes at the time of the deconsolidation and is thus one that the anti-loss reimportation rule is intended to address. But because the sale occurs after the subsidiary ceases to be a member of the group, taxpayers take the position that the loss recognized is not with respect to "subsidiary" stock and therefore is not subject to the anti-loss reimportation rule. Thus, after obtaining the tax benefit of its economic loss (on the disposition of the stock), the group would be free to reimport the loss and then (directly or through a successor group) claim a second tax benefit for its one economic loss.

The IRS and Treasury Department believe that the duplication of a group