

Unsafe Condition

(d) This AD results from fuel system reviews conducted by the manufacturer. We are issuing this AD to reduce the potential of ignition sources inside fuel tanks in the event of a severe lightning strike, which, in combination with flammable fuel vapors, could result in fuel tank explosions and consequent loss of the airplane.

Compliance

(e) You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

Installation or Replacement

(f) Within 7,500 flight hours or 60 months after September 7, 2006 (the effective date of AD 2006-16-03), whichever occurs earlier: Install or replace with improved parts, as applicable, the bonding straps between the metallic frame of the fillet and the wing leading edge ribs, on both the left and right sides of the airplane, in accordance with the Accomplishment Instructions of the applicable service bulletin identified in Table 1 of this AD.

Alternative Methods of Compliance (AMOCs)

(g)(1) The Manager, Los Angeles Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested in accordance with the procedures found in 14 CFR 39.19.

(2) To request a different method of compliance or a different compliance time for this AD, follow the procedures in 14 CFR 39.19. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(3) AMOCs approved previously in accordance with AD 2006-16-03 are approved as AMOCs for the corresponding provisions of this AD.

Issued in Renton, Washington, on November 5, 2007.

Ali Bahrami,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

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

[REG-115910-07]

RIN 1545-BG58

Information Reporting on Employer-Owned Life Insurance Contracts

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: Elsewhere in this issue of the **Federal Register**, the IRS is issuing temporary regulations concerning information reporting on employer-owned life insurance contracts under section 6039I of the Internal Revenue Code (Code). The temporary regulations generally apply to taxpayers that are engaged in a trade or business and that are directly or indirectly a beneficiary of a life insurance contract covering the life of an insured who is an employee of the trade or business on the date the contract is issued. The text of those temporary regulations also serves as the text of these proposed regulations.

DATES: Written or electronic comments and requests for a public hearing must be received by January 14, 2008.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG-115910-07), room 5203, Internal Revenue Service, PO Box 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-115910-07), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS REG-115910-07).

FOR FURTHER INFORMATION CONTACT: Concerning the regulations, Linda K. Boyd, 202-622-3970; concerning submissions and requests for a public hearing, contact Kelly Banks, 202-622-7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:**Background and Explanation of Provisions**

The Pension Protection Act of 2006, Public Law 109-280, 120 Stat. 780 (2006), added sections 101(j) and 6039I to the Internal Revenue Code concerning employer-owned life insurance contracts.

Section 101(j)(1) provides that in the case of an employer-owned life insurance contract, the amount of death benefits excluded from gross income under section 101(a) shall not exceed an amount equal to the sum of the premiums and other amounts paid by the policyholder for the contract. Section 101(j)(2), however, sets forth exceptions to this rule for certain contracts for which notice and consent and other requirements are met. Section 6039I requires information reporting with respect to certain employer-owned life insurance contracts at such time and

in such manner as the Secretary shall by regulations prescribe.

Temporary regulations in this issue of the **Federal Register** provide that the Commissioner may prescribe the form and manner of satisfying the reporting requirements imposed by section 6039I. The preamble to the temporary regulations explains the temporary 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 Procedure Act (5 U.S.C. chapter 5) does not apply to this regulation.

The Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply to this proposed regulation because the regulation does not impose a collection of information on small entities. Even though a substantial number of small businesses may be subject to the requirements of section 6039I, it is anticipated that whatever requirements the Commissioner may prescribe pursuant to this regulation will not impose a "significant economic impact" because the information requested will already be available to taxpayers and the burden of compliance will be minimal.

Pursuant to section 7805(f) of the Internal Revenue Code, this Regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Requests for a 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 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 Treasury Department are aware that guidance may be needed under section 101(j) and request comments on that provision as well. In particular, comments are requested on the need for guidance concerning (1)

determination of the status of insured individuals as “highly compensated employees” or “highly compensated individuals”; (2) requirements a taxpayer must meet to satisfy the notice and consent requirements of section 101(j)(4); and (3) the consequences of a section 1035 exchange of an employer-owned life insurance contract. The IRS and Treasury Department anticipate that future guidance, if any, under section 101(j) will not be applied retroactively to the detriment of taxpayers who make a good faith effort to comply with section 101(j) based on a reasonable interpretation of that provision.

Drafting Information

The principal author of these regulations is Linda K. Boyd, Office of Associate Chief Counsel (Financial Institutions & Products). 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 1.6039I-1 also issued under 26 U.S.C. 6039I. * * *

Par. 2. Section 1.6039I-1 is added to read as follows:

§ 1.6039I-1 Reporting of certain employer-owned life insurance contracts.

[The text of this proposed section is the same as the text of § 1.6039I-1T published elsewhere in this issue of the *Federal Register*].

Linda E. Stiff,

Deputy Commissioner for Services and Enforcement.

[FR Doc. E7-22136 Filed 11-9-07; 8:45 am]

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket No. CGD07-07-102]

RIN 1625-AA08

Special Local Regulations; Recurring Marine Events in the Seventh Coast Guard District

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to create special local regulations to regulate recurring marine events in the Seventh Coast Guard District. These regulations will apply to all permitted events listed on the table attached to the regulation, and include events such as regattas, parades, and fireworks displays. These regulations are being proposed to reduce the Coast Guard's administrative workload and expedite public notification of events.

DATES: Comments and related material must reach the Coast Guard on or before December 13, 2007.

ADDRESSES: You may mail comments and related material to Commander, U.S. Coast Guard Seventh District (dpi), 909 SE 1st Ave, Miami, FL 33131-3050. The Seventh District Prevention Division maintains the public docket for this rulemaking. Comments and material received from the public, as well as documents indicated in this preamble as being available in the docket, will become part of this docket and will be available for inspection or copying at the Brickell Plaza Federal Building, Miami, FL, between 8 a.m. and 3:30 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: LT Clint Smith, U.S. Coast Guard District Seven Prevention Division, (305) 415-6860.

SUPPLEMENTARY INFORMATION:

Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related material. If you do so, please include your name and address, identify the docket number for this rulemaking CGD07-07-102, indicate the specific section of this document to which each comment applies, and give the reason for each comment. Please submit all comments and related material in an unbound format, no larger than 8½ by 11 inches, suitable for copying. If you would like

to know they reached us, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period. We may change this proposed rule in view of them.

Public Meeting

We do not now plan to hold a public meeting. But you may submit a request for a meeting by writing to the U.S. Coast Guard District Seven Prevention Division at the address under **ADDRESSES** explaining why one would be beneficial. If we determine that one would aid this rulemaking, we will hold one at a time and place announced by a later notice in the *Federal Register*.

Background and Purpose

Marine events are frequently held on the navigable waters within the boundary of the Seventh Coast Guard District. These include events such as sailing regattas, holiday parades, and fireworks displays. Currently, there are over 250 annually recurring marine events and many other non-recurring events within the district. In the past, the Coast Guard regulated these events by creating individual special local regulations on a case by case basis. Most of these events required only the establishment of a regulated area and assignment of a patrol commander to ensure safety. Issuing individual, annual special local regulations has created a significant administrative burden on the Coast Guard. In 2005, the Coast Guard created over 60 temporary regulations for marine events in the Seventh District. That number rose to over 110 in 2006 and is expected to rise even higher in 2007.

Additionally, for the majority of these events, the Coast Guard does not receive notification of the event, or important details of the event are not finalized by event organizers, with sufficient time to publish a notice of proposed rulemaking and final rule before the event date. The Coast Guard must therefore create temporary final rules that sometimes are not completed until only days before the event. This results in delayed notification to the public, potentially placing the public and event participants at risk.

This proposed rule will significantly relieve the administrative burden on the Coast Guard, and at the same time allow the sponsor of the event and the Coast Guard to notify the public of these events in a timely manner. The public will be provided with notice of events through the table attached to this regulation. This table lists each recurring event that may be regulated by the Coast Guard, and indicates the