

nonrecognition of any income that M2 realizes on account of consideration received (or deemed received) on its assumption of X's liability to furnish or deliver the newspaper, magazine, or other periodical to which the prepaid subscription income relates.

(7) *Effective/applicability date.* This paragraph (g) applies to transactions occurring after April 14, 2008.

Linda E. Stiff,

Deputy Commissioner for Services and Enforcement.

Approved: January 8, 2008.

Eric Solomon,

Assistant Secretary of the Treasury (Tax Policy).

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PENSION BENEFIT GUARANTY CORPORATION

29 CFR Parts 4022 and 4044

Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: The Pension Benefit Guaranty Corporation's regulations on Benefits Payable in Terminated Single-Employer Plans and Allocation of Assets in Single-Employer Plans prescribe interest assumptions for valuing and paying benefits under terminating single-employer plans. This final rule amends the regulations to adopt interest assumptions for plans with valuation dates in February 2008. Interest assumptions are also published on the PBGC's Web site (<http://www.pbgc.gov>).

DATES: Effective February 1, 2008.

FOR FURTHER INFORMATION CONTACT: Catherine B. Klion, Manager, Regulatory and Policy Division, Legislative and Regulatory Department, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005, 202-326-4024. (TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4024.)

SUPPLEMENTARY INFORMATION: The PBGC's regulations prescribe actuarial assumptions—including interest

assumptions—for valuing and paying plan benefits of terminating single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974. The interest assumptions are intended to reflect current conditions in the financial and annuity markets.

Three sets of interest assumptions are prescribed: (1) A set for the valuation of benefits for allocation purposes under section 4044 (found in Appendix B to Part 4044), (2) a set for the PBGC to use to determine whether a benefit is payable as a lump sum and to determine lump-sum amounts to be paid by the PBGC (found in Appendix B to Part 4022), and (3) a set for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using the PBGC's historical methodology (found in Appendix C to Part 4022).

This amendment (1) adds to Appendix B to Part 4044 the interest assumptions for valuing benefits for allocation purposes in plans with valuation dates during February 2008, (2) adds to Appendix B to Part 4022 the interest assumptions for the PBGC to use for its own lump-sum payments in plans with valuation dates during February 2008, and (3) adds to Appendix C to Part 4022 the interest assumptions for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using the PBGC's historical methodology for valuation dates during February 2008.

For valuation of benefits for allocation purposes, the interest assumptions that the PBGC will use (set forth in Appendix B to part 4044) will be 5.50 percent for the first 20 years following the valuation date and 4.57 percent thereafter. These interest assumptions represent an increase (from those in effect for January 2008) of 0.08 percent for the first 20 years following the valuation date and 0.08 percent for all years thereafter.

The interest assumptions that the PBGC will use for its own lump-sum payments (set forth in Appendix B to part 4022) will be 3.25 percent for the period during which a benefit is in pay status and 4.00 percent during any years preceding the benefit's placement in pay status. These interest assumptions represent an increase (from those in effect for January 2008) of 0.25% in the immediate rate and are otherwise

unchanged. For private-sector payments, the interest assumptions (set forth in Appendix C to part 4022) will be the same as those used by the PBGC for determining and paying lump sums (set forth in Appendix B to part 4022).

The PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest assumptions promptly so that the assumptions can reflect current market conditions as accurately as possible.

Because of the need to provide immediate guidance for the valuation and payment of benefits in plans with valuation dates during February 2008, the PBGC finds that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

The PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply. See 5 U.S.C. 601(2).

List of Subjects

29 CFR Part 4022

Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements.

29 CFR Part 4044

Employee benefit plans, Pension insurance, Pensions.

■ In consideration of the foregoing, 29 CFR parts 4022 and 4044 are amended as follows:

PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS

■ 1. The authority citation for part 4022 continues to read as follows:

Authority: 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

■ 2. In appendix B to part 4022, Rate Set 172, as set forth below, is added to the table.

Appendix B to Part 4022—Lump Sum Interest Rates for PBGC Payments

* * * * *

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		i_1	i_2	i_3	n_1	n_2
* 172	* 02-1-08	* 03-1-08	* 3.25	* 4.00	* 4.00	* 4.00	* 7	* 8

■ 3. In appendix C to part 4022, Rate Set 172, as set forth below, is added to the table.

Appendix C to Part 4022—Lump Sum Interest Rates for Private-Sector Payments

* * * * *

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		i_1	i_2	i_3	n_1	n_2
* 172	* 02-1-08	* 03-1-08	* 3.25	* 4.00	* 4.00	* 4.00	* 7	* 8

PART 4044—ALLOCATION OF ASSETS IN SINGLE-EMPLOYER PLANS

■ 4. The authority citation for part 4044 continues to read as follows:

Authority: 29 U.S.C. 1301(a), 1302(b)(3), 1341, 1344, 1362.

■ 5. In appendix B to part 4044, a new entry for February 2008, as set forth below, is added to the table.

Appendix B to Part 4044—Interest Rates Used to Value Benefits

* * * * *

For valuation dates occurring in the month—	The values of i_t are:					
	i_t	for t =	i_t	for t =	i_t	for t =
* February 2008	* .0550	* 1-20	* .0457	* >20	* N/A	* N/A

Issued in Washington, DC, on this 9th day of January 2008.
Vincent K. Snowbarger,
Deputy Director, Pension Benefit Guaranty Corporation.
 [FR Doc. E8-600 Filed 1-14-08; 8:45 am]
BILLING CODE 7709-01-P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 21
RIN 2900-AL28

Veterans Education: Incorporation of Miscellaneous Statutory Provisions

AGENCY: Department of Veterans Affairs.
ACTION: Final rule.

SUMMARY: This document amends regulations governing various aspects of the education programs administered by the Department of Veterans Affairs. These amendments reflect some of the provisions of the Veterans Education and Benefits Expansion Act of 2001, the Veterans Benefits Act of 2003, and the

Veterans Benefits, Health Care, and Information Technology Act of 2006. The changes include: Restoration of certain education benefits for individuals being ordered to active duty; restoration of Survivors' and Dependents' Educational Assistance to certain full-time National Guard members; an opportunity for certain Vietnam-era veterans to qualify for Montgomery GI Bill education benefits; an increase in the maximum amount an individual can receive under the Senior Reserve Officer Training Corps educational assistance program and still qualify for the Montgomery GI Bill—Active Duty program; establishment of an ending date of the eligibility period for spouses under the Survivors' and Dependents' Educational Assistance program; expansion of special restorative training benefits to certain disabled spouses or disabled surviving spouses; and providing educational benefits for an independent study course that leads to a certificate reflecting educational attainment offered by an institution of higher learning. The document also amends the

education regulations by making changes to reflect current agency organization and nonsubstantive changes for the purpose of readability or clarity.

DATES: *Effective Date:* This final rule is effective January 15, 2008.

Applicability Dates. Amendments in this final rule are applied retroactively to conform to the effective date of statutory provisions. For more information concerning the dates of applicability, see the **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: Lynn M. Nelson, Assistant Director, Policy and Program Administration (225), Education Service, Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 461-9827.

SUPPLEMENTARY INFORMATION: The Veterans Education and Benefits Expansion Act of 2001 (Pub. L. 107-103) ("Act") provides eligibility under the Montgomery GI Bill—Active Duty (MGIB) program to some additional Vietnam-era veterans. Previously, only