

may be considered by the Commissioner is the use of the remedial allocation method by related partners in which allocations of remedial items of income, gain, loss or deduction are made to one partner and the allocations of offsetting remedial items are made to a related partner.

\* \* \* \* \*

(10) *Anti-abuse rule*—(i) *In general.* An allocation method (or combination of methods) is not reasonable if the contribution of property (or event that results in reverse section 704(c) allocations) and the corresponding allocation of tax items with respect to the property are made with a view to shifting the tax consequences of built-in gain or loss among the partners in a manner that substantially reduces the present value of the partners' aggregate tax liability. For purposes of this paragraph (a)(10), all references to the partners shall include both direct and indirect partners.

(ii) *Definition of indirect partner.* An *indirect partner* is any direct or indirect owner of a partnership, S corporation, or controlled foreign corporation (as defined in section 957(a) or 953(c)), or direct or indirect beneficiary of a trust or estate, that is a partner in the partnership, and any consolidated group of which the partner in the partnership is a member (within the meaning of § 1.1502-1(h)). An owner (whether directly or through tiers of entities) of a controlled foreign corporation is treated as an indirect partner only with respect to allocations of items of income, gain, loss, or deduction that enter into the computation of a United States shareholder's inclusion under section 951(a) with respect to the controlled foreign corporation, enter into any person's income attributable to a United States shareholder's inclusion under section 951(a) with respect to the controlled foreign corporation, or would enter into the computations described in this sentence if such items were allocated to the controlled foreign corporation.

\* \* \* \* \*

(f) *Effective/Applicability Dates.* With the exception of paragraphs (a)(1), (a)(8)(ii), (a)(8)(iii), (a)(10), and (a)(11) of this section, this section applies to properties contributed to a partnership and to restatements pursuant to § 1.704-1(b)(2)(iv)(f) on or after December 21, 1993. \* \* \* Paragraphs (a)(1) and (a)(10) of this section are applicable for taxable years beginning after June 9, 2010.

Approved: May 28, 2010.

**Linda E. Stiff,**

*Deputy Commissioner for Services and Enforcement.*

**Michael Mundaca,**

*Assistant Secretary of the Treasury (Tax Policy).*

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**BILLING CODE 4830-01-P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 100

[Docket No. USCG-2010-0435]

RIN 1625-AA08

#### Special Local Regulation; Hydroplane Exhibition, Detroit River, Detroit, MI

**AGENCY:** Coast Guard, DHS.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard will enforce a temporary special local regulation on the Detroit River, Detroit, Michigan from June 18, 2010 to June 20, 2010. This special local regulation is intended to restrict vessels from portions of the Detroit River during the Hydroplane Exhibition. This special local regulation is necessary to protect spectators and vessels from the hazards associated with powerboat races.

**DATES:** This regulation is effective from 3 p.m. on June 18, 2010, to 5 p.m. on June 20, 2010.

**ADDRESSES:** Documents indicated in this preamble as being available in the docket are part of docket USCG-2010-0435 and are available online by going to <http://www.regulations.gov>, inserting USCG-2010-0435 in the "Keyword" box, and then clicking "Search." They are also available for inspection or copying at the Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this temporary rule, call or e-mail CDR Joseph Snowden, Prevention Department, Sector Detroit, Coast Guard; telephone (313) 568-9508, e-mail [Joseph.H.Snowden@uscg.mil](mailto:Joseph.H.Snowden@uscg.mil). If you have questions on viewing the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone (202) 366-9826.

**SUPPLEMENTARY INFORMATION:**

## Regulatory Information

The Coast Guard is issuing this temporary final rule without prior notice and opportunity to comment pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are "impracticable, unnecessary, or contrary to the public interest." Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because the permit application for the Hydroplane Exhibition event was not received by the Coast Guard in time to publish an NPRM followed by a final rule before the effective date. Delaying this rule would be contrary to the public interest of ensuring the safety of vessels during the race, and immediate action is necessary to prevent possible loss of life and property. The Coast Guard has not received any complaints or negative comments previously with regard to events of this type and duration.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. Delaying this rule would be contrary to the public interest of ensuring the safety of vessels during the construction, and immediate action is necessary to prevent possible loss of life and property. The Coast Guard has not received any complaints or negative comments previously with regard to events of this type and duration.

## Background and Purpose

This temporary special local regulation is necessary to ensure the safety of vessels and spectators from hazards associated with a powerboat race. The Captain of the Port Detroit has determined that powerboat races in close proximity to watercraft and waterfront structures pose a significant risk to public safety and property. The likely combination of large numbers of recreational vessels, powerboats traveling at high speeds, and large numbers of spectators in close proximity to powerboats on the water pose a significant risk of serious injuries or fatalities. Establishing a special local regulation around the location of the race course will help ensure the safety of persons and property at these events and help minimize the associated risks.

### Discussion of Rule

This temporary special local regulation is necessary to ensure the safety of spectators and vessels during the Hydroplane Exhibition scheduled to take place during the Detroit River Days Festival. The Hydroplane Exhibition will occur between 3 p.m. and 5 p.m. on a daily basis on from June 18, 2010 to June 20, 2010. This regulation is effective from 3 p.m. on June 18, 2010, to 5 p.m. on June 20, 2010 and will be enforced daily between 3 p.m. to 5 p.m. during the effective period.

The area of the special local regulation will encompass all waters of the Detroit River, between Detroit, MI and Belle Isle, within an area bound on the east by a by a point on land at position 42°20.1' N; 083°1.1' W extending to the international border located at position 42°19.9' N; 083°1.0' W and a line running along the international border to position 42°19.5' N; 083°2.2' W and to a point on land at position 42°19.7' N; 083°2.4' W. All geographic coordinates are North American Datum of 1983 [NAD 83].

All persons and vessels shall comply with the instructions of the Captain of the Port Sector Detroit or designated on scene patrol personnel. Entry into, transiting, or anchoring within the special local regulation area is prohibited unless authorized by the Captain of the Port Detroit or his designated on scene representative. The Captain of the Port or his designated on scene representative may be contacted via VHF Channel 16.

### Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on 13 of these statutes or executive orders.

### Regulatory Planning and Review

This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order. It is not "significant" under the regulatory policies and procedures of the Department of Homeland Security (DHS).

We expect the economic impact of this rule to be so minimal that a full Regulatory Evaluation under the regulatory policies and procedures of DHS is unnecessary.

This determination is based on the minimal time that vessels will be

restricted from the area of the special local regulation.

### Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), we have considered whether this rule would have a significant economic impact on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

*This rule will affect the following entities, some of which might be small entities:* The owners and operators of vessels intending to transit or anchor in a portion of the Detroit River near Detroit, MI between 3 p.m. and 5 p.m. from June 18, 2010 to June 20, 2010.

*This special local regulation will not have a significant economic impact on a substantial number of small entities for the following reasons:* This rule will only be in effect for 2 hours a day during the effective dates that this rule will be enforced. The Coast Guard will give notice to the public via a Broadcast Notice to Mariners that the regulation is in effect.

### Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we offer to assist small entities in understanding the rule so that they can better evaluate its effects on them and participate in the rulemaking process.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

### Collection of Information

This rule calls for no new collection of information under the Paperwork

Reduction Act of 1995 (44 U.S.C. 3501–3520).

### Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on State or local governments and would either preempt State law or impose a substantial direct cost of compliance on them. We have analyzed this rule under that Order and have determined that it does not have implications for federalism.

### Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such expenditure, we do discuss the effects of this rule elsewhere in this preamble.

### Taking of Private Property

This rule will not cause a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

### Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

### Protection of Children

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not create an environmental risk to health or risk to safety that may disproportionately affect children.

### Indian Tribal Governments

This rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

## Energy Effects

We have analyzed this rule under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a “significant energy action” under that order because it is not a “significant regulatory action” under Executive Order 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy. The Administrator of the Office of Information and Regulatory Affairs has not designated it as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

## Technical Standards

The National Technology Transfer and Advancement Act (NTTAA) (15 U.S.C. 272 note) directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through the Office of Management and Budget, with an explanation of why using these standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (*e.g.*, specifications of materials, performance, design, or operation; test methods; sampling procedures; and related management systems practices) that are developed or adopted by voluntary consensus standards bodies.

This rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

## Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023-01 and Commandant Instruction M16475.1D, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321-4370f), and have concluded that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule is categorically excluded, under figure 2-1, paragraph (34)(h) of the Instruction, because it involves the establishment of a special local regulation for a marine event in which an environmental analysis was conducted as part of the permit process for the marine event. An environmental analysis checklist and a categorical exclusion determination are available in the docket where indicated under **ADDRESSES**.

## List of Subjects in 33 CFR Part 100

Marine Safety, Navigation (water), Reporting and Recordkeeping requirements, Waterways.

■ For the reasons discussed in the preamble, the Coast Guard amends 33 CFR Part 100 as follows:

### PART 100—SAFETY OF LIFE ON NAVIGABLE WATERS

■ 1. The authority citation for part 100 continues to read as follows:

**Authority:** 33 U.S.C. 1233.

■ 2. A new temporary § 100.T09-0435 is added to read as follows:

#### § 100.T09-0435 Special Local Regulation; Hydroplane Exhibition; Detroit River; Detroit, MI.

(a) *Location.* The following is a temporary special local regulation area: All waters of the Detroit River, between Detroit, MI. and Belle Isle, within an area bound on the east by a point on land at position 42°20.1' N.; 083°01.1' W. extending to the international border located at position 42°19.9' N.; 083°01.0' W. and a line running along the international border to position 42°19.5' N.; 083°02.2' W. and to a point on land at position 42°19.7' N.; 083°02.4' W. (DATUM: NAD 83.)

(b) *Effective Period.* This regulation is effective from 3 p.m. on June 18, 2010 to 5 p.m. on June 20, 2010. This regulation will be enforced daily from 3 p.m. until 5 p.m. from June 18, 2010, to June 20, 2010.

#### (c) *Regulations.*

(1) In accordance with the general regulations in § 100.35 of this part, entry into, and transiting or anchoring within this special local regulation area is prohibited unless authorized by the Captain of the Port Sector Detroit, or his designated on-scene representative.

(2) This special local regulation area is closed to all vessel traffic, except as may be permitted by the Captain of the Port Detroit or his designated on-scene representative.

(3) The “on-scene representative” of the Captain of the Port Sector Detroit is any Coast Guard commissioned, warrant, or petty officer who has been designated by the Captain of the Port Sector Detroit to act on his behalf. The on-scene representative of the Captain of the Port Sector Detroit will be aboard either a Coast Guard or Coast Guard Auxiliary vessel. The Captain of the Port or his designated on scene representative may be contacted via VHF Channel 16.

(4) Vessel operators desiring to enter or operate within the special local regulation area shall contact the Captain

of the Port Sector Detroit or his on-scene representative to obtain permission to do so. Vessel operators given permission to enter or operate in the special local regulation area must comply with all directions given to them by the Captain of the Port or his on-scene representative.

Dated: May 24, 2010.

**E.J. Marohn,**

*Commander, U.S. Coast Guard, Acting Captain of the Port Sector Detroit.*

[FR Doc. 2010-13806 Filed 6-8-10; 8:45 am]

**BILLING CODE 9110-04-P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 117

[Docket No. USCG-2010-0406]

#### Drawbridge Operation Regulations; Newark Bay, NJ, Maintenance

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of temporary deviation from regulations.

**SUMMARY:** The Commander, First Coast Guard District, has issued a temporary deviation from the regulation governing the operation of the Lehigh Valley Bridge across Newark Bay, mile 4.3, at Newark, New Jersey. This deviation allows the bridge to remain in the closed position on seven nonconsecutive days to facilitate scheduled maintenance.

**DATES:** This deviation is effective from 9 a.m. on June 14, 2010 through 2 p.m. on July 26, 2010.

**ADDRESSES:** Documents mentioned in this preamble as being available in the docket are part of docket USCG-2010-0406 and are available online at <http://www.regulations.gov>, inserting USCG-2010-0406 in the “Keyword” and then clicking “Search”. They are also available for inspection or copying at the Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this rule, call Mr. Joe Arca, Project Officer, First Coast Guard District, telephone (212) 668-7165. If you have questions on viewing the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.