

New section 4c(a) expressly prohibits certain trading practices that are disruptive of fair and equitable trading. New section 4c(a) of the CEA makes it unlawful for any person to engage in any trading, practice, or conduct on or subject to the rules of a registered entity that—

- (A) Violates bids or offers;
- (B) Demonstrates intentional or reckless disregard for the orderly execution of transactions during the closing period; or
- (C) Is, is of the character of, or is commonly known to the trade as, “spoofing” (bidding or offering with the intent to cancel the bid or offer before execution).

Section 747 of the Dodd-Frank Act also amended section 4c(a) by granting the Commission authority to promulgate such “rules and regulations as, in the judgment of the Commission, are reasonably necessary to prohibit the trading practices” enumerated in section 747 “and any other trading practice that is disruptive of fair and equitable trading.” The prohibition on the disruptive practices specified in new section 4c(a) will become effective 360 days after the enactment of the Dodd-Frank Act.

On November 2, 2010, the Commission issued an ANPR inviting public comment on all aspects of section 747 of the Dodd-Frank Act.<sup>4</sup> After reviewing the ANPR comments that were submitted, the Commission determined that it should address the disruptive practices by issuing a proposed order interpreting new CEA section 4c(a). Accordingly, this document terminates the ANPR issued on November 2, 2010. The proposed interpretive order referenced above, which incorporates the ANPR comments, is being published today elsewhere in the notice section of the **Federal Register**.

This proposed interpretive order will provide market participants and the public with guidance on the scope of the three statutory disruptive practices set forth in new CEA section 4c(a).

Issued in Washington, DC, on March 14, 2011, by the Commission.

**David A. Stawick,**

*Secretary of the Commission.*

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<sup>4</sup> Anti-Disruptive Trading Practices Authority Contained in the Dodd-Frank Wall Street Reform and Consumer Protection Act, 75 FR 211, Nov. 2, 2010.

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 301

[REG-153338-09]

RIN 1545-BJ19

### Disclosure of Returns and Return Information to Designee of Taxpayer

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

**ACTION:** Notice of proposed rulemaking and notice of public hearing.

**SUMMARY:** This document contains a proposed regulation pertaining to the period for submission to the IRS of taxpayer authorizations permitting disclosure of returns and return information to third-party designees. Specifically, the proposed regulation extends from 60 days to 120 days the period within which a signed and dated authorization must be received by the IRS (or an agent or contractor of the IRS) in order for it to be effective. The proposed regulation extends the period as some institutions charged with assisting taxpayers in their financial dealings have encountered difficulty in obtaining written authorizations and submitting the authorizations within the 60-day period allowed by the existing regulations. The proposed regulation will affect taxpayers who submit authorizations permitting disclosure of returns and return information to third-party designees. This document also provides notice of a public hearing on the proposed regulation.

**DATES:** Written or electronic comments must be received by May 17, 2011. Outlines of topics to be discussed at the public hearing scheduled for Thursday, June 9, 2011 at 10 a.m. must be received by Wednesday, May 18, 2011.

**ADDRESSES:** Send submissions to CC:PA:LPD:PR (REG-153338-09), room 5205, Internal Revenue Service, P.O. 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-153338-09), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (IRS REG-153338-09). The public hearing will be held in Auditorium, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulation,

contact Amy Mielke, (202) 622-4570; concerning submissions of comments, the hearing, or to be placed on the building access list to attend the hearing, Oluwafunmilayo Taylor, (202) 622-7180 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

##### Paperwork Reduction Act

The collection of information contained in this proposed regulation has been previously approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) under control number 1545-1816.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget.

Books and records relating to the collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by section 6103.

#### Background

This document contains proposed amendments to the Procedure and Administration Regulations (26 CFR part 301). Section 6103(c) of the Internal Revenue Code (Code) authorizes the IRS (or an agent or contractor of the IRS) to disclose returns and return information to such person or persons as the taxpayer may designate in a request for or consent to disclosure. The proposed regulation amends § 301.6103(c)-1 by extending the period for submission to the IRS of taxpayer authorizations permitting disclosure of returns and return information to designees of a taxpayer. Specifically, the proposed regulation extends from 60 days to 120 days the period within which a signed and dated authorization must be received by the IRS (or an agent or contractor of the IRS) in order for it to be effective.

On December 18, 2009, the IRS published Notice 2010-8, 2010-3 IRB 297, which announced an intention to amend the regulation under § 301.6103(c)-1 to expand the time frame for submission of section 6103(c) authorizations. The notice additionally announced interim rules extending from 60 days to 120 days the period within which section 6103(c) authorizations must be received in order to be effective. The interim rules apply to authorizations signed and dated on or after October 19, 2009. Per Notice 2010-

8, the interim rules remain in effect until promulgation of a final regulation under section 6103(c). See § 601.601(d)(2)(ii)(d).

### Explanation of Provisions

The IRS recognizes the importance of limiting the effective period of authorizations provided pursuant to section 6103(c). Reasonable limitation on the effective period of written authorizations helps ensure the currency of the authorization and protects taxpayer privacy. The 60-day period allowed by the existing regulation, however, has proven problematic. Some institutions charged with assisting taxpayers in their financial dealings have encountered difficulty in obtaining written authorizations and submitting the authorizations to the IRS within the 60 days allowed by the existing regulation. To reduce the burden on taxpayers and the institutions and professionals assisting them, the IRS proposes amending the regulation under section 6103(c) to extend from 60 days to 120 days the period within which taxpayer-provided authorizations must be received by the IRS (or an agent or contractor of the IRS) in order to be effective.

### Proposed Effective Date

This regulation, as proposed, will be effective upon publication in the **Federal Register** of a Treasury decision adopting this rule as a final regulation. The regulation, once effective, will apply to section 6103(c) authorizations signed on or after October 19, 2009.

### Effect on Other Documents

Notice 2010-8, 2010-3 IRB 297, will be obsolete upon publication in the **Federal Register** of a Treasury decision adopting this rule as a final regulation.

### 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. Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small businesses.

When an agency issues a rulemaking proposal, the Regulatory Flexibility Act (5 U.S.C. chapter 6), requires the agency to “prepare and make available for

public comment an initial regulatory flexibility analysis” that will “describe the impact of the proposed rule on small entities.” (5 U.S.C. 603(a)). Section 605 of the RFA provides an exception to this requirement if the agency certifies that the proposed rulemaking will not have a significant economic impact on a substantial number of small entities. It is hereby certified that the collection of information in this regulation will not have a significant economic impact on a substantial number of small entities. This certification is based upon the fact that any burden on taxpayers is minimal, since the regulation only applies to taxpayers which request or consent to the disclosure of returns or return information, and since the information collected is only that necessary to carry out the disclosure of returns or return information requested or consented to by the taxpayer (such as the name and taxpayer identification number of the taxpayer, the return or return information to be disclosed, and the identity of the designee). Moreover, it is based upon the fact that the regulation reduces the burden imposed upon taxpayers by the prior regulation by extending the period in which consents may be received by the IRS. Accordingly, a Regulatory Flexibility Analysis is not required.

### Comments and Public Hearing

Before this proposed regulation is adopted as a final regulation, consideration will be given to any written comments (a signed original and eight (8) copies) and electronic comments that are timely submitted to the IRS. The IRS and the 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.

The public hearing is scheduled for Thursday, June 9, 2011 at 10 a.m., and will be held in Auditorium, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Due to building security procedures, visitors must enter at the Constitution Avenue entrance. 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 section of this preamble titled **FOR FURTHER INFORMATION CONTACT**.

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 (signed original and eight (8) copies) by Wednesday, May 18, 2011. A period of 10 minutes will be allotted to each person for the making of 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 author of this proposed regulation is Amy Mielke, Office of the Associate Chief Counsel (Procedure and Administration).

### List of Subjects in 26 CFR Part 301

Administrative practice and procedure, Alimony, Bankruptcy, Child support, Continental shelf, Courts, Crime, Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Investigations, Law enforcement, Oil pollution, Penalties, Pensions, Reporting and recordkeeping requirements, Seals and insignia, Statistics, Taxes.

### Proposed Amendments to the Regulations

Accordingly, 26 CFR part 301 is proposed to be amended as follows:

### PART 301—PROCEDURE AND ADMINISTRATION

**Paragraph 1.** The authority citation for part 301 continues to read as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*

**Par. 2.** Section 301.6103(c)-1 is amended by revising paragraphs (b)(2) and (f) and adding paragraph (g) to read as follows:

#### § 301.6103(c)-1 Disclosure of returns and return information to designee of taxpayer.

\* \* \* \* \*

(b) \* \* \*

(2) *Requirement that request or consent be received within one hundred twenty days of when signed and dated.* The disclosure of a return or return information authorized by a written request for or written consent to the disclosure shall not be made unless the request or consent is received by the Internal Revenue Service (or an agent or contractor of the Internal Revenue Service) within 120 days following the date upon which the request or consent was signed and dated by the taxpayer.

\* \* \* \* \*

(f) *Applicability date.* This section is applicable to section 6103(c)

authorizations signed on or after October 19, 2009.

(g) **Effective date.** This section is effective on the date that the final regulations are published in the **Federal Register**.

**Steven T. Miller,**  
Deputy Commissioner for Services and Enforcement.  
[FR Doc. 2011-6449 Filed 3-17-11; 8:45 am]  
BILLING CODE 4830-01-P

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket No. USCG-2011-0114]

RIN 1625-AA00

### Safety Zone; 2011 Hylebos Bridge Restoration, Hylebos Waterway, Tacoma, WA

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The U.S. Coast Guard is proposing to establish a temporary safety zone extending 50 yards to the north and south of the Hylebos Bridge, Tacoma, WA in both directions along the entire length of the Hylebos Bridge to ensure the safety of the boating public during the Hylebos Bridge restoration project. This safety zone is necessary to protect vessels transiting in the vicinity of the Hylebos Bridge from falling debris resulting from concrete removal performed as part of the bridge restoration.

**DATES:** Comments and related material must be received by the Coast Guard on or before May 17, 2011. Requests for public meetings must be received by the Coast Guard on or before April 18, 2011.

**ADDRESSES:** You may submit comments identified by docket number USCG-2011-0114 using any one of the following methods:

(1) *Federal eRulemaking Portal:* <http://www.regulations.gov>.  
(2) *Fax:* 202-493-2251.  
(3) *Mail:* Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590-0001.

(4) *Hand delivery:* Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

To avoid duplication, please use only one of these four methods. See the

“Public Participation and Request for Comments” portion of the **SUPPLEMENTARY INFORMATION** section below for instructions on submitting comments.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this proposed rule, call or e-mail Ensign Anthony P. LaBoy, USCG Sector Puget Sound Waterways Management Division, Coast Guard; telephone 206-217-6323, e-mail *SectorPugetSoundWWM@uscg.mil*. If you have questions on viewing or submitting material to the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.

#### SUPPLEMENTARY INFORMATION:

##### Public Participation and Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related materials. All comments received will be posted without change to <http://www.regulations.gov> and will include any personal information you have provided.

##### Submitting Comments

If you submit a comment, please include the docket number for this rulemaking (USCG-2011-0114), indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online (via <http://www.regulations.gov>) or by fax, mail, or hand delivery, but please use only one of these means. If you submit a comment online via <http://www.regulations.gov>, it will be considered received by the Coast Guard when you successfully transmit the comment. If you fax, hand deliver, or mail your comment, it will be considered as having been received by the Coast Guard when it is received at the Docket Management Facility. We recommend that you include your name and a mailing address, an e-mail address, or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.

To submit your comment online, go to <http://www.regulations.gov>, click on the “submit a comment” box, which will then become highlighted in blue. In the “Document Type” drop down menu select “Proposed Rule” and insert “USCG-2011-0114” in the “Keyword” box. Click “Search” then click on the balloon shape in the “Actions” column. If you submit your comments by mail or

hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period and may change the rule based on your comments.

#### Viewing Comments and Documents

To view comments, as well as documents mentioned in this preamble as being available in the docket, go to <http://www.regulations.gov>, click on the “read comments” box, which will then become highlighted in blue. In the “Keyword” box insert “USCG-2011-0114” and click “Search.” Click the “Open Docket Folder” in the “Actions” column. You may also visit the Docket Management Facility in Room W12-140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. We have an agreement with the Department of Transportation to use the Docket Management Facility.

#### Privacy Act

Anyone can search the electronic form of comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act notice regarding our public dockets in the January 17, 2008, issue of the **Federal Register** (73 FR 3316).

#### Public Meeting

We do not now plan to hold a public meeting. But you may submit a request for one using one of the four methods specified under **ADDRESSES**. Please explain why you believe a public meeting 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**.

For information on facilities or services for individuals with disabilities or to request special assistance at the public meeting, contact Ensign Anthony P. LaBoy at the telephone number or e-mail address indicated under the **FOR FURTHER INFORMATION CONTACT** section of this notice.

#### Basis and Purpose

The Hylebos Bridge restoration involves removal of deteriorated