of the airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it establishes additional controlled airspace at Tillitt Field Airport, Forsyth, MT.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR Part 71 continues to read as follows:


§71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9U, Airspace Designations and Reporting Points, dated August 18, 2010, and effective September 15, 2010 is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ANM MT E5 Forsyth, MT [Modified]

Tillitt Field Airport, MT

(Lat. 46°16′16″ N., long. 106°37′26″ W.)

That airspace extending upward from 700 feet above the surface within a 7-mile radius of Tillitt Field Airport, and within 2.5 miles north and 5.5 miles south of the 075° bearing of the airport extending from the 7-mile radius to 13 miles east of the airport; that airspace extending upward from 1,200 feet above the surface within an area bordered by lat. 46°31′00″ N., long. 107°00′00″ W.; to lat. 46°22′00″ N., long. 106°03′00″ W.; to lat. 46°05′00″ N., long. 106°21′03″ W.; to lat. 46°00′00″ N., long. 107°15′00″ W.; to lat. 46°15′00″ N., long. 107°16′00″ W.; to lat. 46°20′00″ N., long. 107°00′00″ W., thence to the point of beginning.


John Warner, Manager, Operations Support Group, Western Service Center.

[FR Doc. 2011–13944 Filed 6–6–11; 8:45 am]

BILLING CODE 4910–13–P

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 1

RIN 3038–AD46

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 240


RIN 3235–AK65

Further Definition of “Swap,” “Security-Based Swap,” and “Security-Based Swap Agreement”; Mixed Swaps; Security-Based Swap Agreement Recordkeeping

AGENCY: Commodity Futures Trading Commission; Securities and Exchange Commission.

ACTION: Joint proposed rules; proposed interpretations; correction.

SUMMARY: The Commodity Futures Trading Commission and the Securities and Exchange Commission published a document in the Federal Register of May 23, 2011 that referenced an incorrect RIN and an incorrect cite in an authority citation. This correction is being published to correct both the RIN and the authority citation.

FOR FURTHER INFORMATION CONTACT:


Correction

In the Federal Register of May 23, 2011, in FR Doc. 2011–11008, on page 29888, the authority citation in the second column reads as follows:

Authority: 7 U.S.C. 1a, 2, 5, 6, 6a, 6b, 6c, 6d, 6e, 6f, 6g, 6h, 6i, 6j, 6k, 6l, 6m, 6n, 6o, 6p, 6r, 7, 7a, 7b, 8, 9, 10, 12, 12a, 12c, 13a, 13a–1, 16, 16a, 21, 23, and 24.

Commodity Futures Trading Commission.

David A. Stawick, Secretary. Securities and Exchange Commission.

Dated: June 1, 2011.

Elizabeth M. Murphy, Secretary.

[FR Doc. 2011–13976 Filed 6–6–11; 8:45 am]

BILLING CODE 6535–01–P; 8011–01–P

DEPARTMENT OF TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–114206–11]

RIN 1545–BK21

Encouraging New Markets Tax Credit Non-Real Estate Investments

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: This document invites comments from the public on issues that the Treasury Department and the IRS may address in regulations relating to the new markets tax credit. Specifically, this document invites comments from the public on how the new markets tax credit program may be amended to encourage non-real estate investments. The regulations will affect taxpayers claiming the new markets tax credit. The Treasury Department and the IRS have published separately in this issue of the Federal Register, a notice of proposed rulemaking REG–101826–11 modifying the new markets tax credit program by providing specific rules concerning a qualified community development entity’s investment of certain returns of capital from non-real estate businesses.

DATES: Written and electronic comments must be submitted by September 6, 2011.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG–114206–11), room 5205, 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–114206–11),

Section 45D(a)(1) allows a new markets tax credit on certain credit allowance dates described in section 45D(a)(3) with respect to a qualified equity investment in a qualified community development entity (CDE) described in section 45D(c).

Under section 45D(b)(1), an equity investment in a CDE is a qualified equity investment if, among other requirements: (A) The investment is acquired by the taxpayer at its original issue (directly or through an underwriter) solely in exchange for cash; (B) substantially all of the cash is used by the CDE to make qualified low-income community investments; and (C) the investment is designated for purposes of section 45D by the CDE.

Section 45D(c)(1) provides that an entity is a CDE if, among other requirements, the entity is certified by the Secretary as a CDE.

Section 45D(d)(1) defines the term qualified low-income community investment to mean: (A) Any capital or equity investment in, or loan to, any qualified active low-income community business (as defined in section 45D(d)(2)); (B) the purchase from another CDE of any loan made by the entity that is a qualified low-income community investment; (C) financial counseling and other services specified in regulations prescribed by the Secretary to businesses located in, and residents of, low-income communities; and (D) any equity investment in, or loan to, any CDE.

Under section 45D(d)(2), a qualified active low-income community business is any corporation (including a nonprofit corporation) or partnership if for such year, among other requirements, (i) at least 50 percent of the total gross income of the entity is derived from the active conduct of a qualified business within any low-income community, (ii) a substantial portion of the use of the tangible property of the entity (whether owned or leased) is within any low-income community, and (iii) a substantial portion of the services performed for the entity by its employees are performed in any low-income community.

Under section 45D(d)(3), with certain exceptions, a qualified business is any trade or business. The rental to others of real property is a qualified business only if, among other requirements, the real property is located in a low-income community.

Groups and organizations representing investors, qualified community development entities, businesses, and other entities involved with the new markets tax credit program have submitted comments requesting additional guidance to encourage greater investment in non-real estate businesses. The commentators suggested that revising the new markets tax credit program to encourage investment in non-real estate businesses will bring increased amounts of capital to underserved businesses in low-income communities. The Treasury Department believes that revisions to the regulations under the new markets tax credit program would have a favorable effect on the ability of the program to benefit non-real estate businesses in low-income communities.

The new markets tax credit has been a successful tool for encouraging private sector investments in low-income communities. According to the Treasury Department’s Community Development Financial Institutions Fund, through 2009, the new markets tax credit has helped to spur $16 billion of investments in approximately 3,000 businesses and real estate projects located in low-income communities throughout the country, including investments in small businesses, alternative energy companies, charter schools, health care facilities, and job training centers. Although new markets tax credit investments may be made in non-real estate businesses, the investments made to date have been predominantly in real estate projects. Through 2009, only 35 percent of new market tax credit dollars invested in qualified active low-income community businesses were invested in non-real estate businesses, and much of these investments supported real estate related projects (for example, purchasing or renovations of owner-occupied facilities).

The purpose of this document is to seek comments on measures that could facilitate greater investment in non-real estate businesses without disrupting the success of new markets tax credit real estate investments overall. The Treasury Department and the IRS have identified certain issues with regard to non-real estate businesses under the new markets tax credit program that may be considered for guidance or administrative pronouncements. The Treasury Department and the IRS invite comments from the public on the following issues and any other issues for which the taxpayers believe guidance would be necessary to promote greater investment in non-real estate businesses under the new markets tax credit program while still maintaining the structure of the credit that has been so successful for other types of investments.

A. Streamlined Substantiation Requirements for Second Tier CDEs Making Small Loans to Non-Real Estate Businesses

Under § 1.45D–1(d)(1)(iv)(A)(1), the term qualified low-income community investment includes any equity investment in, or loan to, any CDE (the second CDE) by a CDE (the primary CDE), but only to the extent that the second CDE uses the proceeds of the investment or loan in a manner described in § 1.45D–1(d)(1)(i) or (d)(1)(iii) and that would constitute a qualified low-income community investment if it were made directly by the primary CDE. The net effect of this provision is that, if the primary CDE makes a qualified low-income community investment into a second CDE, the primary CDE must ensure that the new markets tax credit proceeds are ultimately invested in a qualified active low-income community business and/or are used to provide financial counseling and other services. This added layer of substantiation has placed constraints on the ability of a primary CDE to invest funds in a second CDE—particularly in instances where the second CDE intends to make smaller sized loans to non-real
that the second CDE be a non-profit entity or the affiliate of a non-profit entity?

B. Encouraging Equity Investments in Non-Real Estate Businesses

1. What non-statutory requirements in § 1.45D–1 can be revised to encourage CDEs to make equity investments in non-real estate businesses?

2. If consideration is given to potential changes to the reasonable expectations test of § 1.45D–1(d)(6)(i), what modifications would be most effective in encouraging equity investments in non-real estate businesses, while still preserving the purpose of the existing limitations on the reasonable expectations test?

Request for Comments

Before the notice of proposed rulemaking is issued, consideration will be given to any written and electronic comments that are submitted timely to the IRS. All comments will be available for public inspection and copying.

Drafting Information

The principal author of this advance notice of proposed rulemaking is Julie Hanlon-Bolton of the Office of Chief Counsel (Passthroughs and Special Industries). However, other personnel from the IRS and the Treasury Department participated in its development.

Steven T. Miller,
Deputy Commissioner for Services and Enforcement.

FOR FURTHER INFORMATION CONTACT:
Concerning the regulations, Julie Hanlon-Bolton, (202) 622–3040; concerning submission of comments, the hearing, and/or to be placed on the building access list to attend the hearing, Richard Hurst, (202) 622–7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background