

of this *Example 5*, the unduplicated built-in gain with respect to the S share is \$100.

(2) *Redetermined NUBIG or NUBIL of the P group.* For the reasons set forth in paragraph (i)(C)(2) of this *Example 5*, the P group's NUBIG is redetermined to be \$90. Immediately before P takes into account the \$100 gain on the sale of its share of S stock, the P group's \$10 NUBIL is redetermined to be a \$90 NUBIG, the sum of S's NUBIL of \$10 and P's NUBIG of \$100.

(D) *Effect of redetermination.* Of the \$105 gain P recognized on the sale of the S share, \$90 is recognized built-in gain and therefore, under section 382(h)(2)(A), the group's section 382 limitation is increased by \$90. The redetermination of P's original \$10 NUBIL to a \$100 NUBIG in Year 4 has no effect on the treatment of the Year 2 recognized built-in loss from the sale of Truck 1.

(h) \* \* \*

(2) *Disposition of stock or an intercompany obligation of a member.* Built-in gain or loss recognized by a member on the disposition of stock (including stock described in section 1504(a)(4) and § 1.382-2T(f)(18)(ii) and (f)(18)(iii)) of another member is treated as a recognized gain or loss for purposes of section 382(h)(2) (unless disallowed) without regard to the extent to which such gain or loss was included in the determination of a net unrealized built-in gain or loss under paragraph (g) of this section. Built-in gain or loss recognized by a member with respect to an intercompany obligation is treated as recognized gain or loss only to the extent (if any) that the transaction gives rise to aggregate income or loss within the consolidated group.

\* \* \* \* \*

(4) *Successor assets.* \* \* \*

\* \* \* \* \*

(k) *Effective/Applicability date.* Paragraphs (g)(1), (g)(7), (g)(8), (h)(2) and (h)(4) of this section apply to amounts taken into account with respect to a share of stock of an included subsidiary on or after the date that final regulations are published in the **Federal Register**, but only with respect to ownership changes occurring on or after October 24, 2011. For amounts taken into account with respect to a share of stock of an included subsidiary not described in the preceding sentence, see §§ 1.1502-91(g) and 1.1502-91(h) as contained in 26 CFR part 1 in effect on April 1, 2011.

**Steven T. Miller,**

*Deputy Commissioner for Services and Enforcement.*

[FR Doc. 2011-27445 Filed 10-21-11; 8:45 am]

**BILLING CODE 4830-01-P**

## POSTAL SERVICE

### 39 CFR Part 20

#### International Mail: Proposed Product Rate and Fee Changes

**AGENCY:** Postal Service™.

**ACTION:** Proposed rule.

**SUMMARY:** In October 2011, the Postal Service filed a notice of mailing services price adjustments with the Postal Regulatory Commission (PRC), effective on January 22, 2012. This proposed rule contains the revisions to *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM®) that would accompany the new prices.

**DATES:** We must receive your comments on or before November 23, 2011.

**ADDRESSES:** Mail or deliver comments to the Manager, Product Classification, U.S. Postal Service®, 475 L'Enfant Plaza, SW., RM 4446, Washington, DC 20260-5015. You may inspect and photocopy all written comments at USPS® Headquarters Library, 475 L'Enfant Plaza, SW., 11th Floor N, Washington, DC by appointment only between the hours of 9 a.m. and 4 p.m., Monday through Friday by calling 1-202-268-2906 in advance. Email comments, containing the name and address of the commenter, may be sent to: [MailingStandards@usps.gov](mailto:MailingStandards@usps.gov), with a subject line of "International Mailing Services Price Change." Faxed comments are not accepted.

**FOR FURTHER INFORMATION CONTACT:** Obataiye B. Akinwole at 202-268-2260, or Rick Klutts at 813-877-0372.

**SUPPLEMENTARY INFORMATION:** Proposed prices are or will be available under Docket Number R2012-3 on the Postal Regulatory Commission's Web site at <http://www.prc.gov>.

This proposed rule includes: Price changes for First-Class Mail International® and extra services.

#### First-Class Mail International

This proposed rule would increase prices for single-piece First-Class Mail International letters by approximately 6.6 percent, while the price for postcards is proposed to increase by approximately 7 percent.

#### International Extra Services

The Postal Service proposes to increase prices for market dominant extra services by approximately 2.2 percent, for the following:

- Certificate of Mailing
- Registered Mail™
- Return Receipt
- Restricted Delivery

- Customs Clearance and Delivery Fee
- International Reply Coupons
- International Business Reply Service

The prices and fees proposed in this notice, if adopted, would become effective concurrent with any domestic prices adopted as a result of the current proceedings before the Postal Regulatory Commission (Docket No. R2012-3). All regulatory changes necessary to implement this proposal are provided below.

Although exempt from the notice and comment requirements of the Administrative Procedure Act [5 U.S.C. 553(b), (c)] regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comment on the following proposed revisions to the *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 20.1.

#### List of Subjects in 39 CFR Part 20

Foreign relations, International postal services.

Accordingly, 39 CFR part 20 is proposed to be amended as follows:

#### PART 20—[AMENDED]

■ 1. The authority citation for 39 CFR part 20 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 407, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

■ 2. Revise the following sections of the *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM) as follows:

\* \* \* \* \*

#### Mailing Standards of the United States Postal Service, International Mail Manual (IMM)

\* \* \* \* \*

#### Individual Country Listings

\* \* \* \* \*

#### First-Class Mail International (240)

[For each country that offers First-Class Mail International service, retain the country's Price Group designation (which appears in the "First-Class Mail International" heading), but remove the three price tables for letters, large envelopes (flats), and packages (small packets), and insert text to read as follows:]

For the prices and maximum weights for postcards, letters, large envelopes

(flats), packages (small packets), and postcards, see Notice 123, Price List.

\* \* \* \* \*

[Remove the entry "Postcards (241.22)" and the price for postcards.]

\* \* \* \* \*

**Extra Services**

**Certificate of Mailing (313)**

[For each country that offers certificate of mailing service, revise the fees to read as follows:]

	Fee
Individual Pieces:	
Individual article (PS Form 3817)	\$1.15
Firm mailing books (PS Form 3877), per article listed (minimum 3) .....	0.44
Duplicate copy of PS Form 3817 or PS Form 3877 (per page) .....	1.15
Bulk Quantities:	
First 1,000 pieces (or fraction thereof) .....	6.70
Each additional 1,000 pieces (or fraction thereof) .....	0.80
Duplicate copy of PS Form 3606	1.15

\* \* \* \* \*

**International Business Reply Service (382)**

[For each country that offers International Business Reply Service, revise the fees to read as follows:]

Fee: Envelopes up to 2 ounces \$1.50;  
Cards \$1.00

\* \* \* \* \*

**International Reply Coupons (381)**

[For each country that offers international reply coupons, revise the fee to read as follows:]

Fee: \$2.20

**Registered Mail (330)**

[For each country that offers international Registered Mail service, revise the fee to read as follows:]

Fee: \$11.75

\* \* \* \* \*

**Restricted Delivery (350)**

[For each country that offers international restricted delivery service, revise the fee to read as follows:]

Fee: \$4.55

\* \* \* \* \*

**Return Receipt (340)**

[For each country that offers international return receipt service, revise the fee to read as follows:]

Fee: \$2.35

\* \* \* \* \*

We will publish an appropriate amendment to 39 CFR part 20 to reflect

these changes if our proposal is adopted.

**Stanley F. Mires,**

Attorney, Legal Policy & Legislative Advice.

[FR Doc. 2011-27360 Filed 10-21-11; 8:45 am]

**BILLING CODE 7710-12-P**

**POSTAL SERVICE**

**39 CFR Part 111**

**New Standards for Domestic Mailing Services**

**AGENCY:** Postal Service™.

**ACTION:** Proposed rule.

**SUMMARY:** In October 2011, the Postal Service filed a notice of mailing services price adjustments with the Postal Regulatory Commission (PRC), effective on January 22, 2012. This proposed rule contains the revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) that we would adopt to implement the changes coincident with the price adjustments.

**DATES:** We must receive comments on or before November 23, 2011.

**ADDRESSES:** Mail or deliver written comments to the manager, Product Classification, U.S. Postal Service®, 475 L'Enfant Plaza, SW., Room 4446, Washington, DC 20260-5015. You may inspect and photocopy all written comments at USPS® Headquarters Library, 475 L'Enfant Plaza, SW., 11th Floor N, Washington, DC by appointment only between the hours of 9 a.m. and 4 p.m., Monday through Friday by calling 1-202-268-2906 in advance. E-mail comments, containing the name and address of the commenter, may be sent to:

*MailingStandards@usps.gov*, with a subject line of "January 2012 Domestic Mailing Services Proposal." Faxed comments are not accepted.

**FOR FURTHER INFORMATION CONTACT:** Bill Chatfield, 202-268-7278.

**SUPPLEMENTARY INFORMATION:** Proposed prices will be available under Docket Number(s) R2012-3 on the Postal Regulatory Commission's Web site at <http://www.prc.gov>.

The Postal Service's proposed rule includes: Several mail classification changes, modifications to mailpiece characteristics, and changes in classification terminology.

**Proposed Change for Letters**

*Commercial First-Class Mail Letters*

The pricing structure for presorted and automation First-Class Mail® letters is proposed to change so that the

minimum postage charge would be for a 2-ounce letter instead of the current 1-ounce minimum postage charge.

We also remove standards for Reply Rides Free, because the program ends on December 31, 2011.

*Commercial First-Class Mail and Standard Mail Letters*

The Postal Service proposes to modify the process of submitting mailpieces to the Pricing and Classification Service Center (PCSC) for testing and to delete the provision that pieces with attached release cards be sent to Engineering.

*Standard Mail Nonmachinable Letters*

The USPS proposes to clarify that overflow Standard Mail® nonmachinable letters that mailers place into existing trays at another level would require matching documentation.

**Proposed Changes for Flats**

*Automation Flats*

The USPS proposes to clarify 301.3.0 to add that automation flats must meet the standards for all flats in 301.1.0 as well as the standards in 301.3.0.

*Periodicals Flats*

Currently, Periodicals flats are allowed on mixed area distribution center (MADC) pallets only when the flats are sacked. This proposed rule would allow bundles of Periodicals flats to be placed directly on MADC pallets and would assign a specific price for MADC pallets as well.

We propose to revise a price categorization under nonmachinable flats to insert the correct categorization of nonmachinable flats-nonbarcoded.

*Detached Address Labels Used With Flats*

The Postal Service proposes to add a new term to identify detached address labels (DALs) with advertising. Inclusion of advertising turns DALs into dual purpose pieces—optional addressing vehicles and marketing vehicles. A DAL with advertising on either side would be a type of DAL named as a detached marketing label (DML). Both DALs and DMLs could be used with saturation flats or with Standard Mail Marketing parcels.

**Proposed Changes for Parcels**

*Machinable Parcels*

To align the standards for machinable parcels with current mail processing equipment capability, the Postal Service proposes to change the dimensional criteria for all machinable parcels from the current 34 inches x 17 inches x 17 inches to 27 inches x 17 inches x 17