

has been designated a “significant regulatory action” although not economically significant, under section 3(f) of Executive Order 12866.

Accordingly, the Office of Management and Budget has reviewed this rule.

Regulatory Flexibility Act

This section examines the impact of the rule on small entities as required by the Regulatory Flexibility Act (5 U.S.C. 603), as amended by the Small Business Regulatory Enforcement and Fairness Act of 1996 (SBREFA), which requires an agency to prepare and make available to the public a regulatory flexibility analysis that describes the effect of a proposed rule on small entities (i.e., small business, small organizations, and small governmental jurisdictions) when the agency is required to publish a general notice of proposed rulemaking for any proposed rule.

This rule directly regulates individuals and families, and these are not considered small entities. Therefore, CBP certifies that this rule will not have a significant economic impact on a substantial number of small entities. CBP welcomes any comments on this conclusion.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), an agency may not conduct, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by Office of Management and Budget (OMB). The information collected under 19 CFR part 148 is included under OMB control number 1651-0009. There are no new collections of information proposed in this document. The estimated burden hours related to the completion of the CBP Form 6059-B (Customs Declaration) for OMB control number 1651-0009 by members of the public traveling by air and sea have been updated below to reflect the slight decrease in the number of Customs Declarations that are submitted if the definition of a “member of a family residing in one household” in this proposal is adopted, as follows

Estimated Number of Respondents (Travelers): 1,100,000.

Estimated Time per Response: 4 minutes.

Estimated Total Responses: -1,100,000.

Estimated Total Annual Burden Hours: -2,600.

The Customs Declaration (CBP Form 6059B) is due to expire in February 2014. CBP Form 6059B can be seen on the following Web site: http://www.cbp.gov/xp/cgov/travel/vacation/sample_declaration_form.xml. CBP seeks public comment as to as to whether and how the Customs Declaration form could more clearly inform U.S. residents of the definition of family for the purposes of filling out a customs declaration.

www.cbp.gov/xp/cgov/travel/vacation/sample_declaration_form.xml. CBP seeks public comment as to as to whether and how the Customs Declaration form could more clearly inform U.S. residents of the definition of family for the purposes of filling out a customs declaration.

Signing Authority

This regulation is being issued in accordance with 19 CFR 0.1(a)(1) pertaining to the authority of the Secretary of the Treasury (or that of his or her delegate) to approve regulations pertaining to certain customs revenue functions.

List of Subjects in 19 CFR Part 148

Customs duties and inspection, Declarations, Reporting and recordkeeping requirements, Taxes.

Amendments to the CBP Regulations

For the reasons set forth above, part 148 of the CBP regulations (19 CFR part 148) is proposed to be amended as set forth below.

PART 148—PERSONAL DECLARATIONS AND EXEMPTIONS

1. The general authority for part 148 continues to read as follows:

Authority: 19 U.S.C. 66, 1496, 1498, 1624. The provisions of this part, except for subpart C, are also issued under 19 U.S.C. 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States);

* * * * *

§ 148.14 [Amended]

2. Section 148.14 is amended by removing the last sentence and adding in its place the sentence “Individuals who are employed by the household but not related by blood, marriage, domestic relationship, or adoption will not be included in the family declaration.”

3. In § 148.34:

a. Paragraph (a) is amended by removing the last sentence and adding in its place the sentence “No exemptions allowable to individuals employed by the household and accompanying the family but not related by blood, marriage, domestic relationship, or adoption will be included in the family grouping.”; and

b. By revising paragraph (b) and adding a new paragraph (c).

The additions and revisions to § 148.34 are to read as follows:

§ 148.34 Family grouping of exemptions for articles acquired abroad.

* * * * *

(b) *Members of a family residing in one household.* “Members of a family

residing in one household” includes all persons who:

- (1) Are related by blood, marriage, domestic relationship, or adoption;
- (2) Lived together in one household at their last permanent residence; and
- (3) Intend to live in one household after their arrival in the United States.

(c) *Domestic relationship.* As used in paragraph (b)(1), the term “domestic relationship” includes foster children, stepchildren, half-siblings, legal wards, other dependents, individuals with an *in loco parentis* or guardianship relationship, and two adults who are in a committed relationship including, but not limited to, long-time companions, and couples in civil unions, or domestic partnerships, wherein the partners share financial assets and obligations, and are not married to, or a partner of, anyone else. The term “domestic relationship” does not extend to roommates or other cohabitants not otherwise meeting this definition.

4. Section 148.103(b) is revised to read as follows:

§ 148.103 Family grouping of allowances.

* * * * *

(b) *Members of a family residing in one household.* “Members of a family residing in one household” includes all persons who:

- (1) Are related by blood, marriage, domestic relationship (as defined in § 148.34(c)), or adoption;
- (2) Lived together in one household at their last permanent residence; and
- (3) Intend to live in one household after their arrival in the United States.

Allen Gina,

Acting Commissioner, U.S. Customs and Border Protection.

Approved: March 20, 2012.

Timothy E. Skud,

Deputy Assistant Secretary of the Treasury.

[FR Doc. 2012-7122 Filed 3-26-12; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-168745-03]

Guidance Regarding Deduction and Capitalization of Expenditures Related to Tangible Property; Correction

AGENCY: Internal Revenue Service (IRS).

ACTION: Notice of proposed rulemaking; correcting amendment.

SUMMARY: This document contains corrections to a notice of proposed

rulemaking (REG–168745–03), which was published in the **Federal Register** relating to sections 162, and 263, providing guidance on the deduction and capitalization of expenditures related to tangible property.

DATES: *Effective Date:* March 27, 2012 and is applicable on or after December 27, 2011.

FOR FURTHER INFORMATION CONTACT: Merrill Feldstein at (202) 622–4950, not a toll-free number.

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking that is the subject of these corrections are under sections 162, 167, 168, and 263 of the Internal Revenue Code.

Need for Correction

As published on December 27, 2011 (76 FR 81128), the notice of proposed rulemaking (REG–168745–03), contains errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking (REG–168745–03), which were the subject of FR. Doc. 2011–32024, is corrected as follows:

List of Subjects in 26 CFR part 1

Income taxes, Reporting and recordkeeping requirements.

Accordingly, 26 CFR part 1 is corrected by making the following correcting amendment:

PART 1—INCOME TAXES

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

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

Par. 2. Section 1.162–3 is corrected to read as follows:

§ 1.162–3 [Corrected]

§ 1.162–3 Materials and supplies.

[The text of the proposed amendments to § 1.163–3 (a) through (j) is the same as the text of § 1.163–3T(a) through (j) published elsewhere in this issue of the **Federal Register**.]

Guy R. Traynor,

Federal Register Liaison, Publications and Regulations, Legal Processing Division, Associate Chief Counsel, Procedure and Administration.

[FR Doc. 2012–7267 Filed 3–26–12; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–168745–03]

RIN 1545–BE18

Guidance Regarding Deduction and Capitalization of Expenditures Related to Tangible Property; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking; Correction.

SUMMARY: This document contains corrections to a notice of proposed rulemaking (REG–168745–03), which was published in the **Federal Register** relating to sections 162, and 263 providing guidance on the deduction and capitalization of expenditures related to tangible property.

DATES: Effective Date: March 27, 2012.

FOR FURTHER INFORMATION CONTACT: Merrill D. Feldstein at (202) 622–4950 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking that is the subject of these corrections is under sections 162, 167, 168, and 263 of the Internal Revenue Code.

Need for Correction

As published on December 27, 2011 (76 FR 81128), the notice of proposed rulemaking (REG–168745–03), contains errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking (REG–168745–03), which were the subject of FR. Doc. 2011–32024, is corrected as follows:

1. On page 81128, column one, in the preamble under the caption **DATES**, lines one, two and three, the language “Written and/or electronic comments and requests for a public hearing must be received by March 26,” is corrected to read “Written and/or electronic comments must be received by March 26.”

2. On page 81128, column one, line 6 under the caption **DATES**, the language “hearing scheduled for April 4, 2012 at” is corrected to read “hearing scheduled for May 9, 2012 at”.

3. On page 81128, column three, line two of the second paragraph under the caption “Comments and Public

Hearing” the language “for April 4, 2012, beginning at 10 a.m.” is corrected to read “for May 9, 2012, beginning at 10 a.m.”.

4. On page 81128, column three, line three in the preamble under the caption “Drafting Information”, the language “Katherine Reed, Office of the Associate” is corrected to read “Kathleen Reed, Office of the Associate”.

5. On page 81130, column one, Par. 11., item one is redesignated as item 3 and the language “Revising paragraphs (a) through (l)(1); and” is corrected to read as “Revising paragraphs (a) through (h) and revising paragraphs (j) through (l)(1).”

6. On page 81130, column one, under Par. 11. instructions, newly redesignated item one reads as “Removing paragraphs (l), (l)(1), (l)(2) and (l)(3) and redesignating paragraphs (k), (k)(1), (k)(2), and (k)(3) as paragraphs (l), (l)(1), (l)(2) and (l)(3) respectively.”

7. On page 81130, column one, under Par. 11. instructions, newly redesignated paragraph item 2 is corrected to read as “Redesignating paragraph (j) as paragraph (k) and redesignating paragraph (i) as paragraph (j), and adding a new paragraph (i).”

8. On page 81130, column one, under Par. 11. instructions, newly redesignated item 4 reads as “Adding paragraph (m).”

Guy R. Traynor,

Federal Register Liaison, Publications and Regulations, Legal Processing Division, Associate Chief Counsel, Procedure and Administration.

[FR Doc. 2012–7266 Filed 3–26–12; 8:45 am]

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DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 5

[Docket No. TTB–2012–0001; Notice No. 126]

RIN 1513–AB91

Standards of Identity for Pisco and Cognac

AGENCY: Alcohol and Tobacco Tax and Trade Bureau, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: In this document, the Alcohol and Tobacco Tax and Trade Bureau proposes to amend its regulations setting forth the standards of identity for distilled spirits to include Pisco as a