

except for repayments of project-specific community housing development organization loans that are waived, in accordance with §§ 92.301(a)(3) and (b)(3). In addition, any HOME funds used for costs that are not eligible under this part must be repaid by the participating jurisdiction, in accordance with paragraph (b)(3) of this section.

(3) HUD will instruct the participating jurisdiction to either repay the funds to the HOME Investment Trust Fund Treasury account or the local account. If the jurisdiction is not a participating jurisdiction at the time the repayment is made, the funds must be remitted to HUD and reallocated, in accordance with § 92.454.

\* \* \* \* \*

(d) *Commitment of funds in the local account.* Beginning with the Fiscal Year 2017 action plan, as provided in 24 CFR 91.220(l)(2) and 91.320(k)(2), program income, repayments, and recaptured funds in the participating jurisdiction's HOME Investment Trust Fund local account must be used in accordance with the requirements of this part, and the amount of program income, repayments, and recaptured funds in the participating jurisdiction's HOME Investment Trust Fund local account at the beginning of the program year must be committed before HOME funds in the HOME Investment Trust Fund United States Treasury account, except for the HOME funds in the United States Treasury account that are required to be reserved (*i.e.*, 15 percent of the funds), under § 92.300(a), for investment only in housing to be owned, developed, or sponsored by community housing development organizations. The deadline for committing program income, repayments, and recaptured funds received during a program year is the date of the participating jurisdiction's commitment deadline for the subsequent year's grant allocation.

■ 10. Add § 92.504(c)(7) and (8) to read as follows:

**§ 92.504 Participating jurisdiction responsibilities; written agreements; on-site inspection.**

\* \* \* \* \*

(c) \* \* \*

(7) *Community housing development organization receiving assistance for project-specific technical assistance and site control loans or project-specific seed money loans.* The agreement must identify the specific site or sites and describe the amount and use of the HOME funds (in accordance with § 92.301), including a budget for work, a period of performance, and a schedule for completion. The agreement must also set forth the basis upon which the

participating jurisdiction may waive repayment of the loans, consistent with § 92.301, if applicable.

(8) *Technical assistance provider to develop the capacity of community housing development organizations in the jurisdiction.* The agreement must identify the specific nonprofit organization(s) to receive capacity building assistance. The agreement must describe the amount and use (scope of work) of the HOME funds, including a budget, a period of performance, and a schedule for completion.

\* \* \* \* \*

Dated: November 22, 2016.

**Harriet Tregoning,**

*Principal Deputy Assistant, Secretary for Community Planning and Development.*

Approved on November 2, 2016.

**Nani A. Coloretti,**

*Deputy Secretary.*

[FR Doc. 2016–28591 Filed 12–1–16; 8:45 am]

**BILLING CODE 4210–67–P**

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## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

**25 CFR Parts 140, 141, 211, 213, 225, 226, 227, 243, and 249**

[178A2100DD/AAKC001030/  
A0A501010.999900 253G]

RIN 1076–AF32

### Civil Penalties Inflation Adjustments

**AGENCY:** Bureau of Indian Affairs, Interior.

**ACTION:** Final rule.

**SUMMARY:** The Bureau of Indian Affairs (BIA) is adopting as final the interim final rule published on June 30, 2016, adjusting the level of civil monetary penalties contained in Indian Affairs regulations with an initial “catch-up” adjustment under the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 and Office of Management and Budget (OMB) guidance. The Department of the Interior (Department) did not receive any significant adverse comments during the public comment period on the interim final rule, and therefore adopts the rule as final without change.

**DATES:** *Effective date:* December 2, 2016.

**FOR FURTHER INFORMATION CONTACT:** Elizabeth Appel, Director, Office of Regulatory Affairs and Collaborative Action, Office of the Assistant Secretary—Indian Affairs; telephone (202) 273–4680, [elizabeth.appel@bia.gov](mailto:elizabeth.appel@bia.gov).

**SUPPLEMENTARY INFORMATION:** On June 30, 2016, the Department published an interim final rule (81 FR 42478) to adjust the level of civil monetary penalties contained in Indian Affairs regulations with an initial “catch-up” adjustment under the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 and OMB guidance.

The Department received no comments on the rule. Consequently, the Department did not make any change to the interim final rule. For these reasons, the Department adopts the interim rule published June 30, 2016 (81 FR 42478), as final without change.

Dated: November 18, 2016.

**Lawrence S. Roberts,**

*Principal Deputy Assistant Secretary—Indian Affairs.*

[FR Doc. 2016–28750 Filed 12–1–16; 8:45 am]

**BILLING CODE 4337–15–P**

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[TD 9797]

RIN 1545–BM98

### Consistent Basis Reporting Between Estate and Person Acquiring Property From Decedent

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

**ACTION:** Final regulations and removal of temporary regulations.

**SUMMARY:** This document contains final regulations that provide transition rules providing that executors and other persons required to file or furnish a statement under section 6035(a)(1) or (2) regarding the value of property included in a decedent's gross estate for federal estate tax purposes before June 30, 2016, need not have done so until June 30, 2016. These final regulations are applicable to executors and other persons who file federal estate tax returns required by section 6018(a) or (b) after July 31, 2015.

**DATES:** *Effective Date.* These regulations are effective on December 2, 2016.

*Applicability Dates:* For date of applicability, see § 1.6035–2(b).

**FOR FURTHER INFORMATION CONTACT:** Theresa Melchiorre (202) 317–6859 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

#### Background

Section 6018(a) requires executors to file federal estate tax returns with

respect to (1) certain estates of citizens or residents of the United States and (2) certain estates of nonresidents that are not citizens of the United States. If an executor is unable to make a complete federal estate tax return as to any property that is a part of a decedent's gross estate, section 6018(b) requires every person or beneficiary holding such property, upon notice from the Secretary, to make a federal estate tax return as to such part of the gross estate.

On July 31, 2015, the President of the United States signed into law H.R. 3236, *The Surface Transportation and Veterans Health Care Choice Improvement Act of 2015*, Public Law 114-41, 129 Stat. 443 (Act). Section 2004 of the Act added new section 6035.

Section 6035 imposes reporting requirements with regard to the value of property included in a decedent's gross estate for federal estate tax purposes. Section 6035(a)(1) provides that the executor of any estate required to file a return under section 6018(a) must file with the Secretary and furnish to the person acquiring any interest in property included in the decedent's gross estate, a statement identifying the value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

Section 6035(a)(2) provides that each other person required to file a return under section 6018(b) must file with the Secretary and furnish to each person who holds a legal or beneficial interest in the property to which such return relates, a statement identifying the same information described in section 6035(a)(1).

Section 6035(a)(3)(A) provides that each statement required to be filed or furnished under section 6035(a)(1) or (2) is to be filed or furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of (i) the date that is 30 days after the date on which the return under section 6018 was required to be filed (including extensions actually granted, if any) or (ii) the date which is 30 days after the date such return is filed.

On August 21, 2015, the Treasury Department and the IRS issued Notice 2015-57, 2015-36 IRB 294. That notice delayed until February 29, 2016, the due date for any statements required by section 6035.

On February 11, 2016, the Treasury Department and the IRS issued Notice 2016-19, 2016-09 IRB 362. That notice provided that executors or other persons required to file or furnish a statement under section 6035(a)(1) or (2) before March 31, 2016, need not have done so until March 31, 2016.

On March 4, 2016, the Treasury Department and the IRS published temporary regulations (TD 9757) in the **Federal Register** (81 FR 11431-01) providing transition relief under § 1.6035-2T. The temporary regulations extended the due date for statements required by section 6035 to March 31, 2016, as provided in Notice 2016-19.

Also on March 4, 2016, the Treasury Department and the IRS published in the **Federal Register** (81 FR 11486-01) proposed regulations (REG-127923-15). The text of TD 9757 served as the text of the proposed regulations regarding the transition relief provided under § 1.6035-2T.

On March 23, 2016, the Treasury Department and the IRS issued Notice 2016-27, 2016-15 IRB 576. That notice provided that executors or other persons required to file or furnish a statement under section 6035(a)(1) or (2) before June 30, 2016, need not have done so until June 30, 2016.

On June 27, 2016, the Treasury Department and the IRS held a public hearing on the proposed regulations. In addition to the comments received at the hearing, the Treasury Department and the IRS received numerous written comments. Both at the hearing and in written comments, commenters commented favorably on the transition relief providing extensions of time to file and furnish the statements required by section 6035(a)(1) or (2) that the Treasury Department and the IRS had granted in TD 9757 and the notices (including Notice 2016-27 issued after TD 9757 was published in the **Federal Register**).

#### Explanation of Provisions

These final regulations reiterate the statement in Notice 2016-27 and provide that executors or other persons required to file or furnish a statement under section 6035(a)(1) or (2) before June 30, 2016, need not have done so until June 30, 2016. These final regulations are issued within 18 months of the date of the enactment of the statutory provisions to which the final regulations relate and, as authorized by section 7805(b)(2), are applicable to executors and other persons who file a return required by section 6018(a) or (b) after July 31, 2015.

#### Statement of Availability of IRS Documents

IRS Revenue Procedures, Revenue Rulings, notices, and other guidance cited in this preamble are published in the Internal Revenue Bulletin (or Cumulative Bulletin) and are available from the Superintendent of Documents, U.S. Government Printing Office,

Washington, DC 20402, or by visiting the IRS Web site at <http://www.irs.gov>.

#### Special Analyses

Certain IRS regulations, including this one, are exempt from the requirements of Executive Order 12866, as supplemented and reaffirmed by Executive Order 13563. Therefore, a regulatory impact assessment is not required.

In addition, section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) did not apply to TD 9757 because TD 9757 was exempted from the notice and comment requirements of section 553(b) and (c) of the Administrative Procedure Act under the interpretative rule and good cause exceptions provided by section 553(b)(3)(A) and (B). The Act included an immediate effective date, thus making the first required statements due 30 days after enactment. It was necessary to provide more time to provide the statements required by section 6035(a), to allow the Treasury Department and the IRS sufficient time to issue both substantive and procedural guidance on how to comply with the section 6035(a) requirement, and to provide executors and other affected persons the opportunity to review this guidance before preparing the required statements. TD 9757 reiterated the relief in Notice 2016-19 and, because of the immediate need to provide relief, notice and public comment pursuant to 5 U.S.C. 553(b) and (c) was impracticable, unnecessary, and contrary to the public interest. Public comment, however, was received on TD 9757 and all the notices, including Notice 2016-27, at the public hearing held on June 27, 2016, and in written comments submitted on the proposed regulations that cross-referenced and included the text of TD 9757.

It has been certified that the collection of information in these final regulations will not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that this rule primarily affects individuals (or their estates) and trusts, which are not small entities as defined by the Regulatory Flexibility Act (5 U.S.C. 601). Although it is anticipated that there may be an incremental economic impact on executors that are small entities, including entities that provide tax and legal services that assist individuals in preparing tax returns, any impact would not be significant and would not affect a substantial number of small entities. Therefore, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required.

Pursuant to section 7805(f) of the Code, TD 9757 and notice of the proposed rulemaking that cross-referenced and included the text of TD 9757 was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business. No comments were received.

#### Drafting Information

The principal author of these final regulations is Theresa Melchiorre, Office of the Associate Chief Counsel (Passthroughs and Special Industries). Other personnel from the Treasury Department and the IRS participated in their development.

#### List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

#### Amendments to the Regulations

Accordingly, 26 CFR part 1 is amended as follows:

#### PART 1—INCOME TAXES

■ **Paragraph 1.** The authority citation for part 1 is amended by adding an entry in numerical order to read in part as follows:

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

\* \* \* \* \*

Section 1.6035-2 also issued under 26 U.S.C. 6035(b).

\* \* \* \* \*

#### § 1.6035-2T [Removed]

■ **Par. 2.** Section 1.6035-2T is removed.

■ **Par. 3.** Section 1.6035-2 is revised to read as follows:

#### § 1.6035-2 Transitional relief.

(a) *Statements due before June 30, 2016.* Executors and other persons required to file or furnish a statement under section 6035(a)(1) or (2) after July 31, 2015 and before June 30, 2016, need not have done so until June 30, 2016.

(b) *Applicability Date.* This section is applicable to executors and other persons who file a return required by section 6018(a) or (b) after July 31, 2015.

#### John Dalrymple,

Deputy Commissioner for Services and Enforcement.

Approved: November 16, 2016.

#### Mark J. Mazur,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2016-28906 Filed 12-1-16; 8:45 am]

BILLING CODE 4830-01-P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 300

[TD 9798]

RIN 1545-BN37

#### User Fees for Installment Agreements

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

**ACTION:** Final regulations.

**SUMMARY:** This document contains final regulations that provide user fees for installment agreements. The final regulations affect taxpayers who wish to pay their liabilities through installment agreements.

**DATES:** *Effective date:* These regulations are effective on December 2, 2016.

*Applicability date:* These regulations apply to installment agreements entered into, restructured, or reinstated on or after January 1, 2017.

#### FOR FURTHER INFORMATION CONTACT:

Concerning the regulations, Maria Del Pilar Austin at (202) 317-5437; concerning cost methodology, Eva Williams, at (202) 803-9728 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

#### Background and Explanation of Provisions

This document contains amendments to the User Fee Regulations under 26 CFR part 300. On August 22, 2016, the Treasury Department and the IRS published in the **Federal Register** (81 FR 56550) a notice of proposed rulemaking (REG-108792-16) relating to the user fees charged for entering into and reinstating and restructuring installment agreements. The Independent Offices Appropriations Act of 1952 (IOAA), which is codified at 31 U.S.C. 9701, authorizes agencies to prescribe regulations establishing user fees for services provided by the agency. Regulations prescribing user fees are subject to the policies of the President, which are currently set forth in the Office of Management and Budget Circular A-25 (the OMB Circular), 58 FR 38142 (July 15, 1993). The OMB Circular allows agencies to impose user fees for services that confer a special benefit to identifiable recipients beyond those accruing to the general public. The agency must calculate the full cost of providing those benefits, and, in general, the amount of a user fee should recover the full cost of providing the service, unless the Office of Management and Budget (OMB) grants an exception under the OMB Circular.

The notice of proposed rulemaking proposed to increase the user fees under § 300.1 for entering into an installment agreement from \$120 to \$225 and for entering into a direct debit installment agreement from \$52 to \$107. The notice of proposed rulemaking proposed to increase the user fee under § 300.2 for restructuring or reinstating an installment agreement from \$50 to \$89. The notice of proposed rulemaking proposed the introduction of two new types of online installment agreements under § 300.1, each subject to a separate user fee: (1) An online payment agreement with a fee of \$149 and (2) a direct debit online payment agreement with a fee of \$31. Under the notice of proposed rulemaking, the user fee for low-income taxpayers, as defined in § 300.1(b)(3), would continue to be \$43 for entering into a new installment agreement, except that the lower fee of \$31 for a direct debit online payment agreement would apply to all taxpayers. Under § 300.2(b), the fee for low-income taxpayers restructuring or reinstating an installment agreement would be reduced to \$43 from \$50. The new user fee rates were proposed to be effective beginning on January 1, 2017. As explained in the notice of proposed rulemaking, the proposed fees bring user fee rates for installment agreements in line with the full cost to the IRS of providing these taxpayer-specific services. In particular, the new user fee structure offers taxpayers more tailored installment agreement options, including a \$31 user fee for direct debit online payment agreements, which ensures that taxpayers are not charged more for their chosen installment agreement option than the actual cost incurred by the IRS in providing the type of installment agreement selected by taxpayers. Because OMB has granted an exception to the full cost requirement for low-income taxpayers, low-income taxpayers would continue to pay the reduced fee of \$43 for any new installment agreement, except where they request a \$31 direct debit online payment agreement, and would pay the reduced \$43 fee for restructuring or reinstating an installment agreement.

No public hearing on the notice of proposed rulemaking was held because one was not requested. Five comments were received. After careful consideration of the comments, this Treasury Decision adopts the proposed regulations without change.

#### Summary of Comments

The first comment suggested that filing a tax return and requesting an installment agreement should not be a two-step process and that taxpayers