

serviceable pre MOD 3/1010 wing strut bolt that has been inspected following paragraph A of Viking DHC-3 Otter SB Number: V3/0006, Revision B, dated March 9, 2017.

(3) After the effective date of this AD, pre MOD 3/1010 bolts may continue to be used provided these bolts are inspected for pitting immediately before installation following paragraph A of the Accomplishment Instructions of Viking DHC-3 Otter SB Number: V3/0006, Revision B, dated March 9, 2017, and the accomplishment of the inspection must be documented in the airplane maintenance records.

**(g) Credit for Actions Accomplished in Accordance With Previous Service Information**

This AD allows credit for the actions required in paragraph (f)(1) or (2) of this AD if done before the effective date of this AD following SB Viking DHC-3 Otter V3/0006 Revision NC or A.

**(h) Other FAA AD Provisions**

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs)*: The Manager, New York ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Aziz Ahmed, Aerospace Engineer, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone: (516) 287-7329; fax: (516) 794-5531; email: [aziz.ahmed@faa.gov](mailto:aziz.ahmed@faa.gov). Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(2) *Contacting the Manufacturer*: For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO Branch, FAA; or Transport Canada; or Viking Air Limited's Transport Canada Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

**(i) Related Information**

Refer to MCAI Transport Canada AD Number CF-2017-11, dated March 9, 2017, for related information. You may examine the MCAI on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0189. For service information related to this AD, contact Viking Air Limited Technical Support, 1959 De Havilland Way, Sidney, British Columbia, Canada, V8L 5V5; telephone: (North America) (800) 663-8444; fax: (250) 656-0673; email: [technical.support@vikingair.com](mailto:technical.support@vikingair.com); internet: <http://www.vikingair.com/support/service-bulletins>. You may review this referenced service information at the FAA, Policy and Innovation Division, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329-4148.

Issued in Kansas City, Missouri, on March 6, 2018.

**Pat Mullen,**

*Acting Deputy Director, Policy & Innovation Division, Aircraft Certification Service.*

[FR Doc. 2018-05012 Filed 3-12-18; 8:45 am]

**BILLING CODE 4910-13-P**

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 301**

**[REG-129260-16]**

**RIN 1545-BN96**

**Disclosure of Returns and Return Information in Connection With Written Contracts or Agreements for the Acquisition of Property or Services for Tax Administration Purposes**

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

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document contains proposed regulations under section 6103(n) of the Internal Revenue Code (Code) to authorize the Department of State to disclose returns and return information to its contractors who assist the Department of State in carrying out its responsibilities under section 32101 of the Fixing America's Surface Transportation (FAST) Act. The FAST Act requires the IRS to notify the Department of State of certified seriously delinquent tax debts, and the Department of State procures services from outside contractors in connection with carrying out its responsibilities under the FAST Act.

**DATES:** Written and electronic comments and requests for a public hearing must be received by April 12, 2018.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG-129260-16), Room 5207, 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 8:00 a.m. and 4:00 p.m. to CC:PA:LPD:PR (REG-129260-16), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224. Alternatively, taxpayers may submit comments electronically via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (IRS REG-129260-16).

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Brittany Harrison of the Office of Associate Chief Counsel (Procedure and

Administration), (202) 317-6833; concerning the submission of comments and requests for a public hearing, Regina Johnson, (202) 317-6901 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background and Explanation of Provisions**

This document contains proposed amendments to the Procedure and Administration Regulations (26 CFR part 301) under section 6103(n) of the Code. On December 4, 2015, the FAST Act, Public Law 114-94, 129 Stat. 1312, was enacted into law. Section 32101 of the FAST Act adds section 7345 to the Internal Revenue Code. Section 7345 requires the IRS to notify the Department of State of tax debts that the IRS certifies as seriously delinquent. Section 7345(b) generally defines a seriously delinquent tax debt as an unpaid, legally enforceable Federal tax liability of an individual that has been assessed, is greater than \$50,000 (as indexed for inflation), and with respect to which a notice of lien has been filed pursuant to section 6323 and the administrative rights under section 6320 with respect to such filing have been exhausted or have lapsed, or a levy has been made pursuant to section 6331. Section 32101 of the FAST Act generally requires the Department of State to deny a passport (or the renewal of a passport) in the case of an individual if notified by the IRS that the individual has been certified as having a seriously delinquent tax debt and permits the Department of State to revoke a passport previously issued to such person.

Under section 6103(a) of the Code, returns and return information are confidential unless the Code otherwise authorizes disclosure. The FAST Act added section 6103(k)(11), which provides that, upon certification under section 7345, the IRS is authorized to disclose return information to the Department of State with respect to a taxpayer who has a seriously delinquent tax debt. Specifically, upon certification under section 7345, section 6103(k)(11)(A) authorizes the IRS to disclose to officers and employees of the Department of State (i) the taxpayer identity information with respect to the certified taxpayer and (ii) the amount of such seriously delinquent tax debt. Section 6103(k)(11)(A). Section 6103(k)(11)(B) limits the use of return information disclosed under subparagraph (A) for the purposes of, and to the extent necessary in, carrying out the requirements of section 32101 of the FAST Act.

The Department of State engages contractors to assist in carrying out its responsibilities with respect to passports, including responsibilities related to implementation of section 32101 of the FAST Act. Because such contractors are not “officers and employees” of the Department of State, section 6103(k)(11) of the Code does not authorize the disclosure of return information to such contractors.

Section 6103(n) of the Code authorizes, pursuant to regulations prescribed by the Secretary, the disclosure of returns and return information to any person for purposes of tax administration to the extent necessary in connection with, among other things, a written contract for services. The definition of the term “tax administration” includes “the administration, management, conduct, direction, and supervision of the execution and application of the internal revenue laws or related statutes. . . .” Section 6103(b)(4). Because implementation of the FAST Act relates to the administration, management, conduct, direction, and supervision of the execution and application of the internal revenue laws and related statutes, disclosure of return information for the purpose of carrying out responsibilities under the FAST Act is a tax administration purpose.

The Treasury regulations provide that, pursuant to the provisions of section 6103(n) of the Code and subject to certain conditions, officers and employees of the Treasury Department, a State tax agency, the Social Security Administration, or the Department of Justice are authorized to disclose returns and return information to any person or to an officer or employee of the person, for purposes of tax administration (as defined in section 6103(b)(4)), to the extent necessary in connection with a written contract or an agreement for the acquisition of the providing of services. Section 301.6103(n)–1(a)(1). Any person, or officer or employee of the person, who receives such disclosed returns or return information may further disclose the returns or return information to its own officers or employees whose duties or responsibilities require such information in order to provide the services. Section 301.6103(n)–1(a)(2)(i). When authorized in writing by the IRS, such person, or officer or employee of the person, may further disclose such information to the extent necessary to provide services, including to its agents or subcontractors (or such agents’ or subcontractors’ officers or employees). Section 301.6103(n)–1(a)(2)(ii). Agents or subcontractors (or their officers or

employees) who receive such returns or return information may further disclose the returns or return information to their officers or employees whose duties or responsibilities require the returns or return information for a purpose described in § 301.6103(n)–1(a). Section 301.6103(n)–1(a)(3). The regulations under section 6103(n) of the Code provide a number of rules related to limitations on such disclosures, penalties potentially applicable to recipients of returns and return information, notification requirements applicable to recipients of returns and return information, and safeguards requirements. See section 301.6103(n)–1(b), –1(c), –1(d), –1(e).

These proposed regulations add the Department of State to the list of agencies in current § 301.6103(n)–1(a)(1) whose officers and employees may disclose returns and return information to any person or to an officer or employee of such person for tax administration purposes to the extent necessary in connection with a written contract for the acquisition of property or services. These proposed regulations authorize the Department of State to disclose returns and return information to its contractors providing services in connection with the revocation or denial of passports pursuant to the requirements of section 7345 and the FAST Act.

#### 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.

The purpose of these regulations is to allow the Department of State to share tax return information with its contractors for tax administration purposes. As a recipient of tax return information, the Department of State is required to comply with the reporting and other requirements under section 6103(p)(4). The Department of State is also responsible for the training and inspection of its contractors and ensuring that all safeguarding standards are met. These proposed regulations do not impose a reporting burden on the Department of State’s contractors and will not require the contractors to file information with the IRS. Because the proposed regulations do not impose a collection of information on entities other than the Department of State, they do not impose a collection of information on small entities. Accordingly, it is hereby certified that these regulations will not have a

significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required under the Regulatory Flexibility Act (5 U.S.C. chapter 6).

Pursuant to section 7805(f) of the Code, these proposed regulations have been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

#### Comments and Requests for Public Hearing

Before the regulations proposed herein are adopted as final regulations, consideration will be given to any electronic and written comments that are submitted timely to the IRS as prescribed in this preamble under the **ADDRESSES** heading. The Treasury Department and the IRS request comments on all aspects of the proposed regulations. All comments submitted will be made available at [www.regulations.gov](http://www.regulations.gov) or upon request. A public hearing may be scheduled if requested in writing by a person that timely submits written comments. If a public hearing is scheduled, notice of the date, time, and place of the hearing will be published in the **Federal Register**.

#### Drafting Information

The principal author of these proposed regulations is Brittany Harrison of the Office of the Associate Chief Counsel (Procedure and Administration).

#### List of Subjects in 26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

#### 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 in part as follows:

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

■ **Par. 2.** Sections 6103(n)–1(a)(1) and (e)(4)(i) are amended by removing the language “or the Department of Justice” and adding the language “the Department of Justice, or the Department of State” in its place.

■ **Par. 3.** Section 301.6103(n)–1(g) is amended to read as follows:

(g) *Applicability date.* This section is applicable on June 5, 2007, except that paragraphs (a) and (e)(4)(i) of this section apply to the Department of State on or after March 12, 2018.

**Kirsten Wielobob,**

*Deputy Commissioner for Services and Enforcement.*

[FR Doc. 2018-04971 Filed 3-12-18; 8:45 am]

BILLING CODE 4830-01-P

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[EPA-R04-OAR-2017-0395; FRL-9975-40-Region 4]

### Air Plan Approval; Tennessee: Volatile Organic Compounds

**AGENCY:** Environmental Protection Agency.

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is proposing to approve a portion of a revision to the Hamilton County portion of the Tennessee State Implementation Plan (SIP) submitted by the State of Tennessee through the Tennessee Department of Environment and Conservation from Chattanooga/Hamilton County Air Pollution Control Bureau on June 25, 2008. The revision amends the definition of “volatile organic compounds” (VOC) to be consistent with state and federal regulations. This action is being taken pursuant to the Clean Air Act (CAA or Act).

**DATES:** Comments must be received on or before April 12, 2018.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R04-OAR-2017-0395 <http://www.regulations.gov>. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). For additional submission methods, the full

EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <http://www2.epa.gov/dockets/commenting-epa-dockets>.

#### FOR FURTHER INFORMATION CONTACT:

Tiereny Bell, Air Regulatory Management Section, Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW, Atlanta, Georgia 30303-8960. Ms. Bell can be reached by phone at (404) 562-9088 or via electronic mail at [bell.tiereny@epa.gov](mailto:bell.tiereny@epa.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Background

Tropospheric ozone, commonly known as smog, occurs when VOC and nitrogen oxides (NO<sub>x</sub>) react in the atmosphere in the presence of sunlight. Because of the harmful health effects of ozone, EPA and state governments limit the amount of VOC and NO<sub>x</sub> that can be released into the atmosphere. VOC are those compounds of carbon (excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate) that form ozone through atmospheric photochemical reactions. Compounds of carbon (or organic compounds) have different levels of reactivity; they do not react at the same speed or do not form ozone to the same extent.

Section 302(s) of the CAA specifies that EPA has the authority to define the meaning of “VOC,” and hence what compounds shall be treated as VOC for regulatory purposes. It has been EPA’s policy that compounds of carbon with negligible reactivity need not be regulated to reduce ozone and should be excluded from the regulatory definition of VOC. *See* 42 FR 35314 (July 8, 1977), 70 FR 54046 (September 13, 2005). EPA determines whether a given carbon compound has “negligible” reactivity by comparing the compound’s reactivity to the reactivity of ethane. EPA lists these compounds in its regulations at 40 CFR 51.100(s) and excludes them from the definition of VOC. The chemicals on this list are often called “negligibly reactive.” EPA may periodically revise the list of negligibly reactive compounds to add or delete compounds.

In this rulemaking, EPA is proposing action to approve Hamilton County’s SIP revision which amends the definition of “Volatile Organic Compounds” in the Chattanooga Code, Chapter 4 of Part II, Section 4-2. This

SIP revision also amends paragraph 3 and adds paragraphs 4 and 5 to the Chattanooga Code, Chapter 4 of Part II, Section 4-2 definition of VOC. Tennessee is updating the Hamilton County portion of its SIP to be consistent with changes to federal and other similar SIP-approved regulations.<sup>1</sup>

##### II. Analysis of State’s Submittal

On June 25, 2008, Tennessee submitted a SIP revision<sup>2</sup> to EPA for review and approval. The revision amends the definition of VOC found in Chapter 4 of Part II, Section 4-2, of the Chattanooga Code. Specifically, the revision adds the following compounds to the list of negligibly reactive compounds to be consistent with federal and other similar SIP-approved regulations: 1,1,1,2,2,3,3,4,4-nonafluoro-4-methoxy-butane (HFE-7100); methyl acetate; 1,1,1,2,2,3,3-heptafluoro-3-methoxy-propane (n-C<sub>3</sub>F<sub>7</sub>OCH<sub>3</sub>, HFE-7000); 3-ethoxy-1,1,1,2,3,4,4,5,5,6,6,6-dodecafluoro-2-(trifluoromethyl) hexane (HFE-7500); 1,1,1,2,3,3,3-heptafluoropropane (HFC 227ea); and methyl formate (HCOOCH<sub>3</sub>). These compounds are excluded from the VOC definition on the basis that each of these compounds makes a negligible contribution to tropospheric ozone formation. EPA is proposing to approve this revision because it is consistent with the definition of VOC at 40 CFR 51.100(s). EPA is also proposing to approve this revision because it is consistent with other similar SIP-approved regulations.

The revision includes minor changes to paragraph 3 of Chattanooga Code, Chapter 4 of Part II, Section 4-2 definition of VOC to be consistent with federal and other similar SIP-approved regulations. As a precondition to excluding compounds as VOCs, paragraph 3 states that: “As a precondition to excluding these compounds as VOC or at any time thereafter, the Director shall require an owner or operator to provide monitoring or testing methods and results demonstrating the amount of negligibly-reactive compounds in the source’s emissions.” The SIP revision changes the precondition for the director to require this testing from “shall” to “may” and adds that any testing be “to the satisfaction of the Director” of the Chattanooga-Hamilton County Air Pollution Control Bureau. The SIP

<sup>1</sup> EPA approved similar revisions to the Tennessee SIP on April 23, 2006. *See* 71 FR 19124. EPA also approved a Knox County portion of the Tennessee SIP on January 4, 2007. *See* 72 FR 265.

<sup>2</sup> EPA will consider the other changes included in Tennessee’s June 25, 2008, SIP revision in a future rulemaking.