

comments submitted on paper will be considered to the extent practicable. The Department of the Treasury (Treasury Department) and the IRS will publish for public availability any comment submitted electronically, and to the extent practicable on paper, to its public docket. *Send paper submissions to:* CC:PA:LPD:PR (REG-132766-18), Room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

**FOR FURTHER INFORMATION CONTACT:**

Concerning proposed §§ 1.460-1 through 1.460-6, Innessa Glazman, (202) 317-7006; concerning all other proposed regulations in this document, Anna Gleysteen, (202) 317-7007; concerning submissions of comments and requests for a public hearing, Regina L. Johnson, (202) 317-5177 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background**

The proposed regulations that are the subject of this correction are under sections 263A, 448, 460, and 471 of the Internal Revenue Code.

**Need for Correction**

As published, the notice of proposed regulations (REG-132766-18) contains errors which may prove to be misleading and need to be clarified.

**Correction of Publication**

Accordingly, the notice of proposed rulemaking (REG-132766-18) that was the subject of FR Doc. 2020-16364, published at 85 FR 47508 (August 5, 2020), is corrected to read as follows:

1. On page 47513, the second column, the fifth line from the bottom of the first full paragraph under the heading “ii. De Minimis Exception to Look-Back Rules,” the language, “Proposed § 1.460-3(b)(3)” is corrected to read “Proposed § 1.460-6(b)(3)”.

2. On page 47530, the first column, in § 1.460-3, the eighth line of paragraph (b)(3)(ii)(B), the language “receipts the” is corrected to read “receipts of the”.

**Crystal Pemberton,**

*Senior Federal Register Liaison, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel, (Procedure and Administration).*

[FR Doc. 2020-20606 Filed 9-16-20; 4:15 pm]

**BILLING CODE 4830-01-P**

**DEPARTMENT OF THE TREASURY**

**Office of the Secretary**

**31 CFR Part 1**

**RIN 1505-AC66**

**Committee on Foreign Investment in the United States Case Management System Privacy Act of 1974; Proposed Implementation**

**AGENCY:** Departmental Offices, Department of the Treasury.

**ACTION:** Proposed rule.

**SUMMARY:** In accordance with the requirements of the Privacy Act of 1974, as amended, the Department of the Treasury, Departmental Offices (DO) gives notice of a proposed exemption for a new system of records entitled “Department of the Treasury, Departmental Offices .227—Committee on Foreign Investment in the United States (CFIUS) Case Management System,” maintained by the Committee on Foreign Investment in the United States from certain provisions of the Privacy Act. The exemption is intended to comply with the legal prohibitions against the disclosure of certain kinds of information and to protect certain information maintained in this system of records.

**DATES:** Written comments must be received by October 19, 2020.

**ADDRESSES:** Written comments on this proposal may be submitted electronically through the Federal government eRulemaking portal at <http://www.regulations.gov>. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt, and enables the Department of the Treasury (Treasury) to make the comments available to the public. Please note that comments submitted through <https://www.regulations.gov> will be public, and can be viewed by members of the public. Due to COVID-19-related restrictions, Treasury has temporarily suspended its ability to receive public comments by mail.

In general, Treasury will post all comments to <https://www.regulations.gov> without change, including any business or personal information provided, such as names, addresses, email addresses, or telephone numbers. All comments received, including attachments and other supporting material, will be part of the public record and subject to public disclosure. You should only submit information that you wish to make publicly available.

**FOR FURTHER INFORMATION CONTACT:** For questions about this proposed rule and privacy issues, contact: Deputy Assistant Secretary for Privacy, Transparency, and Records at U.S. Department of the Treasury, 1500 Pennsylvania Avenue NW, Washington, DC 20220; telephone: (202) 622-5710.

**SUPPLEMENTARY INFORMATION:** As background, in 2018, the Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA), Subtitle A of Title XVII of Public Law 115-232, 132 Stat. 2173, was enacted. FIRRMA amends section 721 of the Defense Production Act of 1950, as amended (Section 721), which delineates the authorities and jurisdiction of the Committee on Foreign Investment in the United States (CFIUS). FIRRMA maintains CFIUS’s jurisdiction over any transaction that could result in foreign control of any U.S. business, and broadens the authorities of the President and CFIUS under Section 721 to review and take action to address any national security concerns arising from certain non-controlling investments and certain real estate transactions involving foreign persons.

Executive Order 13456, 73 FR 4677 (January 23, 2008), directs the Secretary of the Treasury to issue regulations implementing Section 721. On January 17, 2020, Treasury published two rules broadly implementing FIRRMA, and those rules took effect on February 13, 2020. 85 FR 3112 and 85 FR 3158. Subsequent amendments were made to the regulations in 2020. 85 FR 8747 and 85 FR 45311.

In addition to the exemptions proposed below, pursuant to section 721(c) of the Defense Production Act of 1950, as amended, 50 U.S.C. 4565(c) and subject to certain exceptions provided therein, any information or documentary material filed with CFIUS under Section 721 is exempt from disclosure under the Freedom of Information Act, as amended (FOIA), 5 U.S.C. 552, and no such information or documentary material may be made public.

Treasury is publishing separately the proposed rule of the new system of records to be maintained by CFIUS.

Under 5 U.S.C. 552a(k)(1), the head of a Federal agency may promulgate rules to exempt a system of records from certain provisions of 5 U.S.C. 552a if the system of records is subject to the exemption contained in section 552(b)(1) of this title. (Freedom of Information Act, exemption (b)(1) protects from disclosure information that has been deemed classified “under criteria established by an Executive

order to be kept secret in the interest of national defense or foreign policy” and is “in fact properly classified pursuant to such Executive order.”)

Under 5 U.S.C. 552a(k)(2), the head of a Federal agency may promulgate rules to exempt a system of records from certain provisions of 5 U.S.C. 552a if the system of records contains investigatory materials compiled for law enforcement purposes that are not within the scope of subsection (j)(2) of the Privacy Act (which applies to agencies and components thereof that perform as their principal function any activity pertaining to the enforcement of criminal laws).

To the extent that this system of records contains classified information protected by 5 U.S.C. 552a(k)(1) or investigatory materials compiled for law enforcement purposes protected by 5 U.S.C. 552a(k)(2), Treasury proposes to exempt the following system of records from various provisions of the Privacy Act:

#### **DO .227 CFIUS Case Management System**

Under 5 U.S.C. 552a(k)(1) and (k)(2), Treasury proposes that certain records in the above-referenced system of records be exempt from 5 U.S.C. 552a(c)(3), (d)(1), (2), (3), and (4), (e)(1), (e)(4)(G), (H), and (I), and (f) of the Privacy Act. See 31 CFR 1.36.

The following are the reasons why the classified records and investigatory materials contained in the above-referenced systems of records maintained by CFIUS may be exempted from various provisions of the Privacy Act pursuant to 5 U.S.C. 552a(k)(1) and (k)(2).

(1) From 5 U.S.C. 552a(c)(3) (Accounting for Disclosures) because release of the accounting of disclosures of the records in this system could alert individuals whether they have been identified as a national security threat or the subject of an analysis related to the national security interests of the United States, to the existence of the analysis, and reveal the interest on the part of Treasury or CFIUS as well as the recipient agency. Disclosure of the accounting would present a serious impediment to efforts to protect national security interests by giving individuals an opportunity to learn whether they have been identified as subjects of a national security-related analysis. As further described in the following paragraph, access to such knowledge would impair Treasury’s ability to carry out its mission, since individuals could:

- (i) Take steps to avoid analysis;
- (ii) Inform associates that a national security analysis is in progress;

(iii) Learn the nature of the national security analysis;

(iv) Learn the scope of the national security analysis;

(v) Begin, continue, or resume conduct that may pose a threat to national security upon inferring they may not be part of a national security analysis because their records were not disclosed; or

(vi) Destroy information relevant to the national security analysis.

(2) From subsection 5 U.S.C. 552a(d)(1), (d)(2), (d)(3), and (d)(4) (Access to Records), because access to a portion of the records contained in this system of records could inform individuals whether they have been identified as a national security threat or the subject of an analysis related to the national security interests of the United States, to the existence of the analysis and reveal the interest on the part of Treasury, CFIUS or another agency. Access to the records would present a serious impediment to efforts to protect national security interests by permitting the individual who is the subject of a record to learn whether they have been identified as subjects of a national security-related analysis. Access to such knowledge would impair Treasury’s ability to carry out its mission, since individuals could take steps to impede the analysis and avoid detection, including the steps described in paragraph (1)(i)–(vi) of this section. Amendment of the records would interfere with ongoing analysis and impose an impossible administrative burden given CFIUS’s statutory deadlines. The information contained in the system may also include classified information, the release of which would pose a threat to the national security of the United States. In addition, permitting access and amendment to such information could disclose sensitive security information that could be detrimental to Treasury.

(3) From subsection 5 U.S.C. 552a(e)(1) (Relevance and Necessity of Information), because in the course of its operations, CFIUS must be able to review information from a variety of sources. What information is relevant and necessary may not always be apparent until after the evaluation is completed. In the interests of national security, it is appropriate to include a broad range of information that may aid in identifying and assessing the nature and scope of foreign threats to the United States. Additionally, the accuracy of information obtained or introduced occasionally may be unclear, or the information may not be strictly relevant or necessary to a specific analysis. In the interests of national

security, it is appropriate to retain all information that may aid in establishing patterns of suspicious foreign investment activity.

(4) From subsection 5 U.S.C. 552a(e)(4)(G), (H), and (I) (Agency Requirements), and 5 U.S.C. 552a(f), because portions of this system are exempt from the access and amendment provisions of subsection (d). The reason for invoking the exemption is to protect material authorized to be kept secret in the interest of national security pursuant to Executive Orders 12968, 13526, successor or prior Executive Orders, and other legal authorities relevant to the intelligence responsibilities of Treasury.

Any information from a system of records for which an exemption is claimed under 5 U.S.C. 552a(k)(1) or 5 U.S.C. 552a(k)(2) which is also included in another system of records retains the same exempt status such information has in the system of records for which such exemption is claimed.

This proposed rule is not a “significant regulatory action” under Executive Order 12866.

Pursuant to the requirements of the Regulatory Flexibility Act (RFA), 5 U.S.C. 601–612, it is hereby certified that this proposed rule will not have significant economic impact on a substantial number of small entities. The term “small entity” is defined to have the same meaning as the terms “small business,” “small organization” and “small governmental jurisdiction” as defined in the RFA.

The proposed regulation, issued under sections (k)(1) and (k)(2) of the Privacy Act, is to exempt certain information maintained by Treasury in the above-referenced systems of records from certain Privacy Act requirements in this system of records by individuals who are United States citizens or aliens lawfully admitted for permanent residence. In as much as the Privacy Act rights are personal and apply only to U.S. citizens or an alien lawfully admitted for permanent residence, small entities, as defined in the RFA, are not provided rights under the Privacy Act and are outside the scope of this regulation.

#### **List of Subjects in 31 CFR Part 1**

Courts, Freedom of Information, Government Employees, Privacy.

For the reasons stated in the preamble, part 1 of title 31 of the Code of Federal Regulations is proposed to be amended as follows:

**PART 1—[AMENDED]**

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

**Authority:** 5 U.S.C. 301 and 31 U.S.C. 321. Subpart A also issued under 5 U.S.C. 552, as amended. Subpart C also issued under 5 U.S.C. 552a, as amended.

■ 2. Section 1.36 is amended in the tables in paragraphs (c)(1)(ii) and (g)(1)(ii) by adding in alphanumeric order an entry for “DO .227 CFIUS Case Management System” to read as follows:

**§ 1.36 Systems exempt in whole or in part from provisions of 5 U.S.C. 522a and this part.**

\* \* \* \* \*

(c) \* \* \*

(1) \* \* \*

(ii) \* \* \*

No.	System name
* * * * *	
DO .227 .....	CFIUS Case Management System.
* * * * *	

\* \* \* \* \*

(g) \* \* \*

(1) \* \* \*

(ii) \* \* \*

No.	System name
* * * * *	
DO .227 .....	CFIUS Case Management System.
* * * * *	

**Ryan Law,**

*Deputy Assistant Secretary Privacy, Transparency, and Records, U.S. Department of the Treasury.*

[FR Doc. 2020–19586 Filed 9–17–20; 8:45 am]

**BILLING CODE 4810–25–P**

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

[EPA–R09–OAR–2020–0358; FRL–10014–09–Region 9]

**Air Plan Partial Approval and Partial Disapproval; Arizona; Maricopa County Air Quality Management Department; Reasonably Available Control Technology State Implementation Plan**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is proposing to partially approve and partially disapprove a revision to the Maricopa County Air Quality Department (MCAQD or County) portion of the Arizona State Implementation Plan (SIP) concerning the MCAQD’s demonstration regarding reasonably available control technology (RACT) requirements and negative declarations for the 2008 8-hour ozone National Ambient Air Quality Standards (NAAQS or “standards”) in the portion of the Phoenix-Mesa ozone nonattainment area under the jurisdiction of the MCAQD. We are proposing action on a SIP revision under the Clean Air Act (CAA or the Act). We are taking comments on this proposal and plan to follow with a final action.

**DATES:** Comments must be received on or before October 19, 2020.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA–R09–OAR–2020–0358 at <http://www.regulations.gov>. For comments submitted at [Regulations.gov](http://www.regulations.gov), follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from [Regulations.gov](http://www.regulations.gov). The 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. The 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, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <http://www.epa.gov/dockets/commenting-epa-dockets>. If you need assistance in a language other than English or if you are a person with disabilities who needs a reasonable accommodation at no cost to you, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. **FOR FURTHER INFORMATION CONTACT:** Nicole Law, EPA Region IX, 75 Hawthorne St., San Francisco, CA 94105. By phone: (415) 947–4126 or by email at [law.nicole@epa.gov](mailto:law.nicole@epa.gov).

**SUPPLEMENTARY INFORMATION:** Throughout this document, “we,” “us,” and “our” refer to the EPA.

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**I. The State’s Submittal**

*A. What documents did the State submit?*

Table 1 lists the documents addressed by this proposal with the date that they were adopted by MCAQD and submitted by the Arizona Department of Environmental Quality (ADEQ, or “the State”).

**TABLE 1—SUBMITTED DOCUMENTS**

Local agency	Document	Adopted	Submitted
MCAQD .....	Analysis of Reasonably Available Control Technology for The 2008 8-Hour Ozone National Ambient Air Quality Standard (NAAQS) State Implementation Plan (RACT SIP).	05/24/2017	06/22/2017
MCAQD .....	Appendix 1A: Negative Declarations .....	05/24/2017	06/22/2017