

DEPARTMENT OF HOMELAND SECURITY**U.S. Customs and Border Protection****19 CFR Chapter I****Notification of Temporary Travel Restrictions Applicable to Land Ports of Entry and Ferries Service Between the United States and Mexico**

AGENCY: Office of the Secretary, U.S. Department of Homeland Security; U.S. Customs and Border Protection, U.S. Department of Homeland Security.

ACTION: Notification of continuation of temporary travel restrictions.

SUMMARY: This document announces the decision of the Secretary of Homeland Security (Secretary) to continue to temporarily limit the travel of individuals from Mexico into the United States at land ports of entry along the United States-Mexico border. Such travel will be limited to “essential travel,” as further defined in this document.

DATES: These restrictions go into effect at 12 a.m. Eastern Daylight Time (EDT) on September 22, 2021 and will remain in effect until 11:59 p.m. EDT on October 21, 2021, unless amended or rescinded prior to that time.

FOR FURTHER INFORMATION CONTACT: Stephanie Watson, Office of Field Operations Coronavirus Coordination Cell, U.S. Customs and Border Protection (CBP) at 202–325–0840.

SUPPLEMENTARY INFORMATION:**Background**

On March 24, 2020, DHS published notice of its decision to temporarily limit the travel of individuals from Mexico into the United States at land ports of entry along the United States-Mexico border to “essential travel,” as further defined in that document.¹ The document described the developing circumstances regarding the COVID–19 pandemic and stated that, given the outbreak and continued transmission and spread of the virus associated with COVID–19 within the United States and globally, DHS had determined that the risk of continued transmission and spread of the virus associated with COVID–19 between the United States and Mexico posed a “specific threat to human life or national interests.” DHS

¹ 85 FR 16547 (Mar. 24, 2020). That same day, DHS also published notice of its decision to temporarily limit the travel of individuals from Canada into the United States at land ports of entry along the United States-Canada border to “essential travel,” as further defined in that document. 85 FR 16548 (Mar. 24, 2020).

later published a series of notifications continuing such limitations on travel until 11:59 p.m. EDT on September 21, 2021.²

DHS continues to monitor and respond to the COVID–19 pandemic. As of the week of September 5, 2021, there have been over 220 million confirmed cases globally, with over 4.5 million confirmed deaths.³ There have been over 40.3 million confirmed and probable cases within the United States,⁴ over 1.5 million confirmed cases in Canada,⁵ and over 3.4 million confirmed cases in Mexico.⁶

DHS also notes that the Delta variant continues to drive an increase in cases, hospitalizations, and deaths in the United States.⁷ Canada and Mexico are also seeing increased case counts and deaths.⁸

² See 86 FR 46963 (Aug. 23, 2021); 86 FR 38554 (July 22, 2021); 86 FR 32766 (June 23, 2021); 86 FR 27800 (May 24, 2021); 86 FR 21189 (Apr. 22, 2021); 86 FR 14813 (Mar. 19, 2021); 86 FR 10816 (Feb. 23, 2021); 86 FR 4967 (Jan. 19, 2021); 85 FR 83433 (Dec. 22, 2020); 85 FR 74604 (Nov. 23, 2020); 85 FR 67275 (Oct. 22, 2020); 85 FR 59669 (Sept. 23, 2020); 85 FR 51633 (Aug. 21, 2020); 85 FR 44183 (July 22, 2020); 85 FR 37745 (June 24, 2020); 85 FR 31057 (May 22, 2020); 85 FR 22353 (Apr. 22, 2020). DHS also published parallel notifications of its decisions to continue temporarily limiting the travel of individuals from Canada into the United States at land ports of entry along the United States-Canada border to “essential travel.” See 86 FR 46964 (Aug. 23, 2021); 86 FR 38556 (July 22, 2021); 86 FR 32764 (June 23, 2021); 86 FR 27802 (May 24, 2021); 86 FR 21188 (Apr. 22, 2021); 86 FR 14812 (Mar. 19, 2021); 86 FR 10815 (Feb. 23, 2021); 86 FR 4969 (Jan. 19, 2021); 85 FR 83432 (Dec. 22, 2020); 85 FR 74603 (Nov. 23, 2020); 85 FR 67276 (Oct. 22, 2020); 85 FR 59670 (Sept. 23, 2020); 85 FR 51634 (Aug. 21, 2020); 85 FR 44185 (July 22, 2020); 85 FR 37744 (June 24, 2020); 85 FR 31050 (May 22, 2020); 85 FR 22352 (Apr. 22, 2020).

³ WHO, Coronavirus disease 2019 (COVID–19) Weekly Epidemiological Update (Sept. 7, 2021), available at <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/situation-reports> (accessed Sept. 9, 2021).

⁴ CDC, COVID Data Tracker: United States COVID–19 Cases, Deaths, and Laboratory Testing (NAATs) by State, Territory, and Jurisdiction, https://covid.cdc.gov/covid-data-tracker/#cases_casesper100klast7days (accessed Sept. 9, 2021).

⁵ WHO, Situation by Region, Country, Territory & Area, available at <https://covid19.who.int/table> (accessed Sept. 9, 2021).

⁶ *Id.*

⁷ See CDC, Delta Variant: What We Know About the Science, <https://www.cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html> (accessed Sept. 9, 2021).

⁸ See Government of Canada, Coronavirus Disease (COVID–19) For Health Professionals, <https://health-infobase.canada.ca/covid-19/epidemiological-summary-covid-19-cases.html#VOC> (accessed Sept. 9, 2021). See Government of Mexico, Ministry of Health, COVID–19 National General Information, <https://datos.covid-19.conacyt.mx/#DOView> (accessed Sept. 9, 2021); Mexican Consortium of Genomic Surveillance (CoViGen-Mex), Reportes, <http://mexcov2.ibt.unam.mx:8080/COVID-TRACKER/> (accessed Sept. 9, 2021).

Notice of Action

Given the outbreak and continued transmission and spread of COVID–19 within the United States and globally, the Secretary has determined that the risk of continued transmission and spread of the virus associated with COVID–19 between the United States and Mexico poses an ongoing “specific threat to human life or national interests.”

In March 2020, U.S. and Mexican officials mutually determined that non-essential travel between the United States and Mexico posed additional risk of transmission and spread of the virus associated with COVID–19 and placed the populace of both nations at increased risk of contracting the virus associated with COVID–19. Given the sustained human-to-human transmission of the virus, coupled with risks posed by new variants, non-essential travel to the United States places the personnel staffing land ports of entry between the United States and Mexico, as well as the individuals traveling through these ports of entry, at increased risk of exposure to the virus associated with COVID–19.

Accordingly, and consistent with the authority granted in 19 U.S.C. 1318(b)(1)(C) and (b)(2),⁹ I have determined that land ports of entry along the U.S.-Mexico border will continue to suspend normal operations and will only allow processing for entry into the United States of those travelers engaged in “essential travel,” as defined below. Given the definition of “essential travel” below, this temporary alteration in land ports of entry operations should

⁹ 19 U.S.C. 1318(b)(1)(C) provides that “[n]otwithstanding any other provision of law, the Secretary of the Treasury, when necessary to respond to a national emergency declared under the National Emergencies Act (50 U.S.C. 1601 *et seq.*) or to a specific threat to human life or national interests,” is authorized to “[t]ake any . . . action that may be necessary to respond directly to the national emergency or specific threat.” On March 1, 2003, certain functions of the Secretary of the Treasury were transferred to the Secretary of Homeland Security. See 6 U.S.C. 202(2), 203(1). Under 6 U.S.C. 212(a)(1), authorities “related to Customs revenue functions” were reserved to the Secretary of the Treasury. To the extent that any authority under section 1318(b)(1) was reserved to the Secretary of the Treasury, it has been delegated to the Secretary of Homeland Security. See Treas. Dep’t Order No. 100–16 (May 15, 2003), 68 FR 28322 (May 23, 2003). Additionally, 19 U.S.C. 1318(b)(2) provides that “[n]otwithstanding any other provision of law, the Commissioner of U.S. Customs and Border Protection, when necessary to respond to a specific threat to human life or national interests, is authorized to close temporarily any Customs office or port of entry or take any other lesser action that may be necessary to respond to the specific threat.” Congress has vested in the Secretary of Homeland Security the “functions of all officers, employees, and organizational units of the Department,” including the Commissioner of CBP. 6 U.S.C. 112(a)(3).

not interrupt legitimate trade between the two nations or disrupt critical supply chains that ensure food, fuel, medicine, and other critical materials reach individuals on both sides of the border.

For purposes of the temporary alteration in certain designated ports of entry operations authorized under 19 U.S.C. 1318(b)(1)(C) and (b)(2), travel through the land ports of entry and ferry terminals along the United States-Mexico border shall be limited to “essential travel,” which includes, but is not limited to—

- U.S. citizens and lawful permanent residents returning to the United States;
- Individuals traveling for medical purposes (e.g., to receive medical treatment in the United States);
- Individuals traveling to attend educational institutions;
- Individuals traveling to work in the United States (e.g., individuals working in the farming or agriculture industry who must travel between the United States and Mexico in furtherance of such work);
- Individuals traveling for emergency response and public health purposes (e.g., government officials or emergency responders entering the United States to support federal, state, local, tribal, or territorial government efforts to respond to COVID-19 or other emergencies);
- Individuals engaged in lawful cross-border trade (e.g., truck drivers supporting the movement of cargo between the United States and Mexico);
- Individuals engaged in official government travel or diplomatic travel;
- Members of the U.S. Armed Forces, and the spouses and children of members of the U.S. Armed Forces, returning to the United States; and
- Individuals engaged in military-related travel or operations.

The following travel does not fall within the definition of “essential travel” for purposes of this Notification—

- Individuals traveling for tourism purposes (e.g., sightseeing, recreation, gambling, or attending cultural events).

At this time, this Notification does not apply to air, freight rail, or sea travel between the United States and Mexico, but does apply to passenger rail, passenger ferry travel, and pleasure boat travel between the United States and Mexico. These restrictions are temporary in nature and shall remain in effect until 11:59 p.m. EDT on October 21, 2021. This Notification may be amended or rescinded prior to that time, based on circumstances associated with the specific threat. In coordination with public health and medical experts, DHS continues working closely with its

partners across the United States and internationally to determine how to safely and sustainably resume normal travel.

The Commissioner of U.S. Customs and Border Protection (CBP) is hereby directed to prepare and distribute appropriate guidance to CBP personnel on the continued implementation of the temporary measures set forth in this Notification. The CBP Commissioner may determine that other forms of travel, such as travel in furtherance of economic stability or social order, constitute “essential travel” under this Notification. Further, the CBP Commissioner may, on an individualized basis and for humanitarian reasons or for other purposes in the national interest, permit the processing of travelers to the United States not engaged in “essential travel.”

Alejandro N. Mayorkas,

Secretary, U.S. Department of Homeland Security.

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9954]

RIN 1545-BN80

Treatment of Distributions of Property From a Corporation to a Shareholder

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document contains final regulations under section 301 of the Internal Revenue Code of 1986 (Code). These regulations update existing regulations under section 301 to reflect statutory changes made by the Technical and Miscellaneous Revenue Act of 1988, which changes provide that the amount of a distribution of property made by a corporation to its shareholder is the fair market value of the distributed property. The regulations affect shareholders that receive a distribution of property from a corporation.

DATES:

Effective date: These regulations are effective on September 22, 2021.

Applicability date: For dates of applicability, see § 1.301-1(f)(3), (m)(4), and (n).

FOR FURTHER INFORMATION CONTACT: Grid R. Glycer, (202) 317-6847 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background and Explanation of Provisions

This document contains amendments to 26 CFR part 1 under section 301 of the Code relating to the treatment of distributions of property from a corporation to a shareholder. Section 301 provides rules for the treatment of a distribution of property, including money, made by a corporation to its shareholder with respect to that shareholder’s stock ownership in that corporation (distribution).

Section 1006(e)(10) and (e)(11) of the Technical and Miscellaneous Revenue Act of 1988, Public Law 100-647, 102 Stat. 3342 (1988) (Act), amended section 301(b)(1) and (d), respectively (such amendments, the 1988 Amendments). Section 1019(a) of the Act provided that, in general, the 1988 Amendments were effective as if included in the Tax Reform Act of 1986, Public Law 99-514, 100 Stat. 2085 (1986). Accordingly, the 1988 Amendments generally are effective for taxable years beginning after December 31, 1986.

As a result of the 1988 Amendments, section 301(b)(1) provides that, for purposes of section 301, the amount of any distribution is the amount of money received plus the fair market value of the other property received. Section 301(d) provides that the basis of property received in a distribution to which section 301(a) applies is the fair market value of such property.

The current regulations issued under section 301 reflect the rules of sections 301(b)(1) and 301(d) as they existed prior to the 1988 Amendments. Accordingly, to the extent preempted by statute, the current regulations have no application.

A notice of proposed rulemaking (REG-121694-16) published in the **Federal Register** on March 26, 2019 (84 FR 11263) proposed to amend § 1.301-1 to reflect the 1988 Amendments (2019 proposed regulations). The scope of the 2019 proposed regulations was limited to (1) deleting provisions made obsolete by statutory changes, (2) making minor additions and revisions to reflect current statutory text, and (3) making certain non-substantive changes for purposes of clarity and readability, including reordering and redesignating paragraphs. The 2019 proposed regulations also amended cross-references in §§ 1.356-1(f), 1.368-2(m)(3)(iii), 1.902-1(a)(12), and 1.902-3(a)(7) to reflect the proposed reordering and redesignating of paragraphs in § 1.301-1. For further discussion of the changes proposed to be made to § 1.301-1 by the 2019 proposed