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Title 3—The President

EXECUTIVE ORDER 11575

Providing for the Administration of the Disaster Relief Act of 1970

By virtue of the authority vested in me by the Disaster Relief Act of 1970, hereinafter referred to as the Act, and section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. (a) The authorities vested in the President by section 102(1) of the Act to declare a major disaster, by section 251 of the Act to provide for the restoration of Federal facilities, and by section 253 of the Act to prescribe time limits for granting priorities for certain public facilities and certain public housing assistance are reserved to the President.

(b) Except as otherwise provided in subsections (a), (c), and (d) of this section, the Director of the Office of Emergency Preparedness is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by the Act.

(c) The Secretary of Defense is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by section 210 of the Act concerning the utilization and availability of the civil defense communications system for the purpose of disaster warnings.

(d) The Secretary of Agriculture is designated and empowered to exercise, without the approval, ratification, or other action of the President, all of the authority vested in the President by section 238 of the Act concerning food coupons and surplus commodities.

SEC. 2. The Director of the Office of Emergency Preparedness may delegate or assign to the head of any agency of the executive branch of the Government, subject to the consent of the agency head concerned in each case, any authority or function delegated or assigned to the Director by the provisions of this order. Any such head of agency may redelegate any authority or function so delegated or assigned to him by the Director to any officer or employee subordinate to such head of agency whose appointment is required to be made by and with the advice and consent of the Senate.

SEC. 3. Rules, regulations, procedures, and documents issued under the authority of the Act of September 30, 1950 (64 Stat. 1109); the Disaster Relief Act of 1966 (80 Stat. 1316); and the Disaster Relief Act of 1969 (83 Stat. 125) shall remain in effect for purposes of the Act unless otherwise modified, superseded, or revoked by the appropriate

Federal official, and, unless inappropriate, all references in those rules, regulations, procedures, and documents or in any Executive order or other document to the Act of September 30, 1950, the Disaster Relief Act of 1966, or the Disaster Relief Act of 1969 shall be deemed to be references to the Act.

SEC. 4. In order to assure the most effective utilization of the personnel, equipment, supplies, facilities, and other resources of Federal agencies pursuant to the Act, agencies shall make and maintain suitable plans and preparations in anticipation of their responsibilities in the event of a major disaster. The Director of the Office of Emergency Preparedness shall coordinate, on behalf of the President, such plans and preparations.

SEC. 5. Executive Order No. 10427 of January 16, 1953, Executive Order No. 10737 of October 29, 1957, and Executive Order No. 11495 of November 18, 1969, are hereby revoked. Unless inappropriate, any reference to those Executive orders in any rule, regulation, procedure, document, or other Executive order, shall be deemed to be a reference to this Executive order .

Richard Nixon

THE WHITE HOUSE,
December 31, 1970.

[F.R. Doc. 71-175; Filed, Jan. 4, 1971; 9:03 a.m.]

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 213—EXCEPTED SERVICE

Department of Agriculture

Section 213.3113 is amended to show that positions of agricultural commodity graders (processed fruits and vegetables), grade GS–9 and below, and of graders' aides (processed fruits and vegetables), grades GS–3 and 4, who serve on a temporary (part-time or intermittent) basis for not to exceed 1,280 hours a year will be excepted under a separate Schedule A authority after June 30, 1971. The positions are currently excepted under § 213.3113(a)(1). Effective on publication in the FEDERAL REGISTER, subparagraph (5) is added to paragraph (f) of § 213.3113 as set out below.

§ 213.3113 Department of Agriculture.

* * * * *

(f) *Consumer and Marketing Service.* * * *

(5) After June 30, 1971, positions of agricultural commodity graders (processed fruits and vegetables), GS–9 and below, and of graders' aides (processed fruits and vegetables), GS–3 and 4, for temporary employment on a part-time or intermittent basts for not to exceed 1,280 hours a year.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 71–46; Filed, Jan. 4, 1971; 8:47 a.m.]

PART 213—EXCEPTED SERVICE

Small Business Administration

Section 213.3132 is amended to show that the Schedule A authority for positions of receivers or trustees who serve on an intermittent basis in receivership actions affecting Small Business Investment Companies has been extended for 1 year, until December 31, 1971. Effective on publication in the FEDERAL REGISTER, paragraph (b) of § 213.3132 is amended as set out below.

§ 213.3132 Small Business Administration.

* * * * *

(b) Until December 31, 1971, positions of receivers or trustees who serve on an intermittent basis in receivership actions affecting Small Business Investment Companies.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 71–51; Filed, Jan. 4, 1971; 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Department of Commerce

Section 213.3314 is amended to show that one position of Private Secretary to the Assistant Secretary for Tourism is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (3) is added to paragraph (1) of § 213.3314 as set out below.

§ 213.3314 Department of Commerce.

* * * * *

(1) *U.S. Travel Service* * * *

(3) One Private Secretary to the Assistant Secretary for Tourism.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 71–47; Filed, Jan. 4, 1971; 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Department of Health, Education, and Welfare

Section 213.3316 is amended to show that one position of Executive Assistant to the Commissioner of Education is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (7) is added to paragraph (c) of § 213.3316 as set out below.

§ 213.3316 Department of Health, Education, and Welfare.

* * * * *

(c) *Office of Education.* * * *

(7) One Executive Assistant to the Commissioner of Education.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 71–48; Filed, Jan. 4, 1971; 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Office of Economic Opportunity

Section 213.3373 is amended to show that one position of Confidential Secretary to the Assistant Director for Program Development is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (27) is added to paragraph (a) of § 213.3373 as set out below.

§ 213.3373 Office of Economic Opportunity.

(a) *Office of the Director.* * * *

(27) One Confidential Secretary to the Assistant Director for Program Development.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 71–50; Filed, Jan. 4, 1971; 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Department of Housing and Urban Development

Section 213.3384 is amended to show that one additional position of Special Assistant to the Assistant Secretary for Metropolitan Planning and Development is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (3) of paragraph (d) is amended under § 213.3384 as set out below.

§ 213.3384 Department of Housing and Urban Development.

* * * * *

(d) *Office of the Assistant Secretary for Metropolitan Planning and Development.* * * *

(3) Seven Special Assistants to the Assistant Secretary.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 71–49; Filed, Jan. 4, 1971; 8:48 a.m.]

Title 7—AGRICULTURE

Subtitle A—Office of the Secretary of Agriculture

[Amdt. 7]

PART 20—LIMITATION OF IMPORTS OF MEAT

Subpart—Section 204 Import Regulations

RESTRICTION ON THE IMPORTATION OF MEAT—CALENDAR YEAR 1971

The regulations set forth in this subpart are amended to add a section prohibiting the importation during the calendar year 1971 of meat which is the product of Australia, New Zealand, or Ireland, except direct shipments of such meat destined to the United States on an original through bill of lading. This regulation is issued to carry out bilateral agreements negotiated by the United States with the governments of such countries pursuant to section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854). Since the action taken herewith has been determined to involve foreign affairs functions of the United States, this amendment falls within the foreign affairs exception to the notice and effective date provision of 5 U.S.C. 553 (Supp. V, 1969).

The subpart, section 204 Import Regulations of Part 20, Subtitle A of Title 7 (35 F.R. 10837, as amended) is further amended as follows:

1. Section 20.3 is amended by deleting the period after "Restrictions" in the section heading and adding "for 1970."

2. Section 20.4 "Effective date." is deleted and a new § 20.4 is added which reads as follows:

§ 20.4 Restrictions for 1971.

(a) *Transshipment.* No meat which is the product of Australia, New Zealand, or Ireland may be entered, or withdrawn from warehouse, for consumption in the United States except direct shipments of such meat destined to the United States on an original through bill of lading. The Secretary of Agriculture, with the concurrence of the Secretary of State and Special Representative for Trade Negotiations, by letter dated December 31, 1970 has requested the Commissioner of Customs to take such action as is necessary to implement this regulation.

Effective date: The regulation contained in the amendment shall become effective January 1, 1971, or upon filing of the amendment with the FEDERAL REGISTER, whichever is later, but shall not apply to meat released under the provisions of section 448(b) of the Tariff Act of 1930 (19 U.S.C. 1448(b)) prior to such date.

(Sec. 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854), and E.O. 11539)

Issued at Washington, D.C., this 31st day of December 1970.

J. PHIL CAMPBELL,
Acting Secretary of Agriculture.

[F.R. Doc. 70-17660; Filed, Dec. 31, 1970; 12:42 p.m.]

Chapter VII—Agricultural Stabilization and Conservation Service (Agricultural Adjustment), Department of Agriculture

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

PART 722—COTTON

Subpart—1971 Crop of Extra Long Staple Cotton; Acreage Allotments and Marketing Quotas

NATIONAL MARKETING QUOTA REFERENDUM RESULT

Section 722.564 is issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31, as amended; 7 U.S.C. 1281 et seq.). This section announces the result of the national marketing quota referendum with respect to the 1971 crop of extra long staple cotton held during the period December 7 to 11, 1970, each inclusive.

Since the only purpose of § 722.564 is to announce the referendum result, it is hereby found and determined that compliance with the notice, public procedure and 30-day effective date requirements of 5 U.S.C. 553 is unnecessary. Accordingly, § 722.564 shall be effective upon filing this document with the Director, Office of the Federal Register.

§ 722.564 Result of the national marketing quota referendum for the 1971 crop of extra long staple cotton.

(a) *Referendum period.* The national marketing quota referendum for the 1971 crop of extra long staple cotton was held by mail ballot during the period December 7 to 11, 1970, each inclusive, in accordance with § 722.561 (35 F.R. 16311) and Part 717 of this chapter.

(b) *Farmers voting.* A total of 2,013 farmers engaged in the production of the 1970 crop of extra long staple cotton voted in the referendum. Of those voting, 1,900 farmers, or 94.4 percent, favored the 1971 national marketing quota and 113 farmers, or 5.6 percent, opposed the 1971 national marketing quota.

(c) *1971 national marketing quota continues in effect.* The national marketing quota for the 1971 crop of extra long staple cotton of 120,000 bales proclaimed in § 722.558 (35 F.R. 16311) shall continue in effect since two-thirds or more of the extra long staple cotton farmers voting in the referendum favored the quota.

(Sec. 343, 63 Stat. 670, as amended; 7 U.S.C. 1343)

Effective date: Date of filing this document with the Director, Office of the Federal Register.

Signed at Washington, D.C., on December 30, 1970.

CARROLL G. BRUNTHAVER,
Acting Administrator, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 70-17657; Filed, Dec. 31, 1970; 12:40 p.m.]

Chapter IX—Consumer and Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Nuts), Department of Agriculture

[Tangelo Reg. 40, Amdt. 3]

PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 905, as amended (7 CFR Part 905), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangelos, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient; and this amendment relieves restrictions on the handling of tangelos grown in Florida.

Order. In § 905.526 (Tangelo Regulation 40; 35 F.R. 14500, 17937, 19245) paragraph (a) (2) (ii) is amended to read as follows:

§ 905.526 Tangelo Regulation 40.

(a) * * *

(1) * * *

(ii) Any tangelos, grown in the production area, which are of a size smaller than 2 5/16 inches in diameter, except that a tolerance of 10 percent, by count, of tangelos smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions of the application of tolerances specified in the U.S. Standards for Florida Oranges and Tangelos.

* * * * *

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated, December 30, 1970, to become effective December 31, 1970.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 71-92; Filed, Jan. 4, 1971; 8:50 a.m.]

[Tangerine Reg. 40, Amdt. 4]

PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 905, as amended (7 CFR Part 905), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangerines, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient; and this amendment relieves restrictions on the handling of tangerines grown in Florida.

Order. In § 905.528 (Tangerine Regulation 40; 35 F.R. 16075, 17167, 17938, 19245) paragraph (a) (1) (ii) is amended to read as follows:

§ 905.528 Tangerine Regulation 40.

(a) * * *

(1) * * *

(ii) Any tangerines, grown in the production area, which are of a size smaller than 2 1/16 inches in diameter, except that a tolerance of 10 percent, by count, of tangerines smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in said United States Standards for Florida Tangerines.

* * * * *

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated, December 30, 1970, to become effective December 31, 1970.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 71–93; Filed, Jan. 4, 1971; 8:50 a.m.]

[Lemon Reg. 461]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.761 Lemon Regulation 461.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 29, 1970.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period January 3, 1971, through January 9, 1971, are hereby fixed as follows:

(i) District 1: 28,000 cartons;

(ii) District 2: 64,000 cartons;

(iii) District 3: 84,000 cartons.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 30, 1970.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 70–17656; Filed, Dec. 30, 1970; 4:50 p.m.]

[966.207 Amdt. 1]

PART 966—TOMATOES GROWN IN FLORIDA

Expenses and Rate of Assessment

Pursuant to Marketing Agreement No. 125 and Order No. 966, both as amended (7 CFR Part 966), and the recommendation of the Florida Tomato Committee, paragraph (a) of § 966.207 *Expenses and rate of assessment* (35 F.R. 14764), is hereby amended to increase the total expenses by $500 to read as follows:

§ 966.207 Expenses and rate of assessment.

(a) The reasonable expenses that are likely to be incurred during the fiscal period ending July 31, 1971, by the Florida Tomato Committee for its maintenance and functioning, and for such purposes as the Secretary determines to be appropriate will amount to $103,750.

* * * * *

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 29, 1970.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 71–14; Filed, Jan. 4, 1971; 8:45 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[CCC Grain Price Support Regs., 1970 and Subsequent Crops Barley Supp., Amdt. 1]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1970 and Subsequent Crops Barley Loan and Purchase Program

The regulations issued by the Commodity Credit Corporation published in the FEDERAL REGISTER at 35 F.R. 11166 and 11902, containing provisions for price support loans and purchases applicable to the 1970 and subsequent crops of barley are amended as follows:

Section 1421.56 is revised to delete all references in paragraph (a) relating to

approved warehouses operated by eastern common carriers under tariffs approved by the Interstate Commerce Commission and to delete paragraph (c) which relates to warehouses operated by eastern common carriers. The revised section reads as follows:

§ 1421.56 Warehouse charges.

(a) *Handling and storage liens.* Warehouse receipts and the barley represented thereby stored in an approved warehouse operating under the Uniform Grain Storage Agreement (hereinafter called "UGSA") may be subject to liens for warehouse handling and storage charges at not to exceed the UGSA rates from the date the barley is deposited in the warehouse for storage. In no event shall a warehouseman be entitled to satisfy the lien by sale of the barley when CCC is holder of the warehouse receipt.

(b) *Deduction of storage charges UGSA warehouses.* The table set forth in the annual crop year supplement will provide the deduction for storage charges to be made from the amount of the loan or purchase price in the case of barley stored in an approved warehouse operated under the UGSA. Such deduction shall be based on entries shown on the warehouse receipts. If written evidence is submitted with the warehouse receipt that all the warehouse charges except receiving and loading out charges have been prepaid through the applicable loan maturity date, no storage deductions shall be made. If such written evidence is not submitted, the beginning date to be used for computing the storage deduction on barley stored in warehouses operating under the UGSA shall be the latest of the following: (1) The date the barley was received or deposited in the warehouse, (2) the date storage charges start, or (3) the day following the date through which storage charges have been paid.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072; secs. 105, 401, 63 Stat. 1051, as amended; 15 U.S.C. 714c, 7 U.S.C. 1421, 1441)

Effective date: Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on December 29, 1970.

CARROLL G. BRUNTHAVER,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 71-91; Filed, Jan. 4, 1971; 8:50 a.m.]

[CCC Grain Price Support Regs., 1970 Crop Barley Supp., Amdt. 1]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1970 Crop Barley Loan and and Purchase Program

The regulations issued by the Commodity Credit Corporation published in the FEDERAL REGISTER at 35 F.R. 11168 and 12194 containing provisions for price support loans and purchases applicable to the 1970 crop of barley are amended as follows:

1. Section 1421.73 is amended to correct the reference to the Feed Grain Program Regulations. The amended section reads as follows:

§ 1421.73 Compliance requirements.

To be eligible for a loan or purchase, a producer must qualify for a price support payment under the 1970 Feed Grain Program Regulations (35 F.R. 5082, 6958, 7495, 8273, 8537, and 14498), and any amendments thereto, on barley of the 1970 crop produced on the farm on which the barley tendered for loan or purchase was produced except that such qualification is not necessary with respect to barley produced in Alaska or in any other area of the United States in which the feed grain program is not in effect.

2. Section 1421.74 is amended to delete in the introductory sentence of § 1421.74 all references to approved warehouses operated by eastern common carriers under tariffs approved by the Interstate Commerce Commission and to delete paragraph (b) which relates to warehouses operated by eastern common carriers. The amended section reads as follows:

§ 1421.74 Warehouse charges.

Subject to the provisions of § 1421.56, the schedules of deductions set forth in this section shall apply to barley stored in an approved warehouse operating under the Uniform Grain Storage Agreement.

SCHEDULE OF DEDUCTIONS FOR STORAGE CHARGES BY MATURITY DATES

Maturity date of Apr. 30, 1971	Deduction (cents per bushel)	Maturity date of May 31, 1971
(1)		(1)
Prior to May 16, 1970	13	Prior to June 16, 1970.
May 16-June 12	12	June 16-July 13.
June 13-July 10	11	July 14-Aug. 10.
July 11-Aug. 7	10	Aug. 11-Sept. 7.
Aug. 8-Sept. 4	9	Sept. 8-Oct. 5.
Sept. 5-Oct. 2	8	Oct. 6-Nov. 2.
Oct. 3-Oct. 30	7	Nov. 3-Nov. 30.
Oct. 31-Nov. 27	6	Dec. 1-Dec. 28.
Nov. 28-Dec. 25	5	Dec. 29, 1970-Jan. 25, 1971.
Dec. 26, 1970-Jan. 22, 1971.	4	Jan. 26-Feb. 22.
Jan. 23-Feb. 19	3	Feb. 23-Mar. 22.
Feb. 20-Mar. 19	2	Mar. 23-Apr. 19.
Mar. 20-Apr. 30, 1971	1	Apr. 20-May 31, 1971.

(1) Date storage charges start, all dates inclusive.

(Sec. 4, 62 Stat. 1070, as amended: 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072; secs. 105, 401, 63 Stat. 1051, as amended; 15 U.S.C. 714c, 7 U.S.C. 1421, 1441)

Effective date: Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on December 28, 1970.

CARROLL G. BRUNTHAVER,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 71-42; Filed Jan. 4, 1971; 8:47 a.m.]

[CCC Grain Price Support Regs., 1970 Crop Grain Sorghum Supp., Amdt. 2]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1970 Crop Grain Sorghum Loan and Purchase Program

The regulations issued by the Commodity Credit Corporation published in the FEDERAL REGISTER at 35 F.R. 10747, 11382, and 12393, containing provisions for price support loans and purchases applicable to the 1970 crop of grain sorghum are amended as follows:

Section 1421.236 is amended to correct the reference to the Feed Grain Program Regulations. The amended section reads as follows:

§ 1421.236 Compliance requirements.

To be eligible for a loan or purchase, a producer must qualify for a price support payment under the 1970 Feed Grain Program Regulations (35 F.R. 5082, 6958, 7495, 8273, 8537, and 14498), and any amendments thereto, on grain sorghum of the 1970 crop produced on the farm on which the grain sorghum tendered for loan or purchase was produced except that such qualification is not necessary with respect to grain sorghum produced in any area of the United States in which the feed grain program is not in effect.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, sec. 105, 401, 63 Stat. 1051, as amended; 15 U.S.C. 714c, 7 U.S.C. 1421, 1441)

Effective date: Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on December 29, 1970.

CARROLL G. BRUNTHAVER,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 71-90; Filed, Jan. 4, 1971; 8:50 a.m.]

(C.C.C. Grain Price Support Regs., 1970-Crop Tung Oil Warehouse-Stored Supp.)

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1970-Crop Tung Oil Warehouse-Stored Loan Program

The General Regulations Governing Price Support for the 1970 and Subsequent Crops (35 F.R. 7363) and any amendments thereto and the 1970 and Subsequent Crop Tung Oil Warehouse-Stored Loan Program Regulations (35 F.R. 19499) and any amendments to such regulations are further supplemented for the 1970 crop by adding §§ 1421.450-1421.453 to read as follows:

§ 1421.450 Availability.

(a) *Area.* The program will be available in the States of Alabama, Florida, Georgia, Louisiana, Mississippi, and Texas.

(b) *Period.* Loans will be available from November 1, 1970 through September 30, 1971.

§ 1421.451 Service fees and delivery charges.

Producers shall pay a loan service fee as provided in § 1421.11(a) of the general regulations, and instead of the delivery charge specified in § 1421.11(b) of the general regulations, a delivery charge of 6 cents per hundredweight for the quantity of tung oil tendered to CCC for loan which is not redeemed by October 31, 1971. Such fee and charge will be deducted from loan proceeds, but the charge applicable to the quantity of oil redeemed will be credited to the producer's account.

§ 1421.452 Support rate.

Loans on eligible tung oil produced from 1970-crop tung nuts shall be made at the rate of 26.4 cents per pound.

§ 1421.453 Maturity of loans.

Loans will mature on demand but not later than October 31, 1971.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 201, 401, 63 Stat. 1052, as amended, 1054; 15 U.S.C. 714c, 7 U.S.C. 1446, 1421)

Effective date. Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on December 28, 1970.

CARROLL G. BRUNTHAVER,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 71-41; Filed, Jan. 4, 1971; 8:47 a.m.]

Title 13—BUSINESS CREDIT AND ASSISTANCE

Chapter I—Small Business Administration

[Rev. 9, Amdt. 1]

PART 121—SMALL BUSINESS SIZE STANDARDS

Interpretation

Section 121.3-14 of Part 121 of Chapter I of Title 13 of the Code of Federal Regulations is hereby amended by adding a new § 121.3-14(k) to read as follows:

§ 121.3-14 Interpretations.

* * * * *

(k) *Section 121.3-8(e)(12).* The Small Business Size Appeals Board has interpreted this section to apply only to procurements requiring the services of tire retreading and repair shops (Standard Industrial Classification Industry No. 7534, Tire Retreading and Repair Shops) and not to procurements for the repairing and/or retreading of pneumatic aircraft tires which, by reason of the extent and nature of the equipment and operations required, is considered for size standards purposes to be manufactured within the meaning of Standard Industrial Classification Industry No. 3011, Tires and Inner Tubes.

Effective date. This amendment shall become effective on publication in the FEDERAL REGISTER.

Dated: December 22, 1970.

EINAR JOHNSON,
Acting Administrator.

[F.R. Doc. 71-32; Filed, Jan. 4, 1971; 8:46 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Docket No. 10154; Amdt. Nos. 1-20; 91-84]

PART 1—DEFINITIONS AND ABBREVIATIONS

PART 91—GENERAL OPERATING AND FLIGHT RULES

Airport Traffic Areas

The purpose of these amendments to the Federal Aviation Regulations is to change the definition of an airport traffic area to include that airspace up to, but not including an altitude of 3,000 feet above the elevation of the airport, and to amend the VFR cruising altitude or flight level rule to conform to the change.

These amendments were proposed in Notice 70-9 and published in the FEDERAL REGISTER on March 7, 1970 (35 F.R. 4262).

Public comments received in response to Notice 70-9 were light and generally favorable. The consensus was that the addition of 1,000 feet to the airport traffic area would add greatly to safety and would not be unduly restrictive. The concept of measuring the airport traffic area from the airport elevation, in order to provide a level and measurable upper limit, was endorsed without reservation. There was some opposition to the proposed amendment based on an anticipated increase in frequency congestion and controller workload. During the development of Notice 70-9, however, the question of controller workload was carefully considered in arriving at an optimum size for airport traffic areas. Although an upward expansion of the area to 3,000 feet would create some increase in controller workload, this increase would be minimal. Expansion beyond the proposed size, however, would probably require an increase in manpower and equipment at most tower locations.

There was also some concern that the expanded area would cause inconvenience to VFR pilots, especially with low ceilings prevailing, and it was recommended that the expanded airport traffic area be designated only at those airports having sufficient high performance aircraft to warrant the change. While this course of action would relieve some of the inconvenience to certain operators, it would complicate the rules far out of proportion to the benefits realized and lead to problems in publication and charting.

The question of safety was raised by some commentators who felt that the increase in the use of 3,000 feet above the surface by traffic overflying the airport traffic area would result in an increase in the risk of collision at that altitude. This would, of course, be true of whatever altitude is used as the upper limit of airport traffic areas. However, the fact that transiting traffic would normally be in level cruising flight, and well clear of traffic pattern aircraft, would add considerably to its safety and minimize the risk of collision.

The Air Transport Association, while supporting the proposal to expand the area, objected to application of the 200-knot speed limit in the expanded area. They suggested that the 250-knot limit for aircraft operating below 10,000 feet obviates the need for the 200-knot airport traffic area limit. Rescission of the 200-knot airport traffic area limitation was recommended. As an alternative, it was recommended that the 200-knot limit not apply above 1,900 feet.

The FAA believes that the airport traffic area speed limit, along with the two-way radio requirement, is an essential part of the airport traffic area regulation, and the benefit to be gained from expanding the area would be substantially reduced if the speed controls were not applicable in the expanded areas.

Interested persons have been afforded an opportunity to participate in the making of these amendments. Due consideration has been given to all matters presented. In consideration of the foregoing, and for the reasons stated in Notice 70-9, Parts 1 and 91 of the Federal Aviation Regulations are amended as follows, effective February 4, 1971:

1. Part 1 is amended by amending the definition of "airport traffic area" in § 1.1 to read as follows:

§ 1.1 General definitions.

* * * * *

"Airport traffic area" means, unless otherwise specifically designated in Part 93, that airspace within a horizontal radius of 5 statute miles from the geographical center of any airport at which a control tower is operating, extending from the surface up to, but not including, an altitude of 3,000 feet above the elevation of the airport.

* * * * *

2. Part 91 is amended by amending the introductory paragraph of § 91.109 to read as follows:

§ 91.109 VFR cruising altitude or flight level.

Except while holding in a holding pattern of 2 minutes or less, or while turning, each person operating an aircraft under VFR in level cruising flight at an altitude of more than 3,000 feet above the surface shall maintain the appropriate altitude prescribed below:

* * * * *

(Secs. 307 and 313(a) of the Federal Aviation Act of 1958; 49 U.S.C. 1348, 1354(a), and sec. 6(c) of the Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in Washington, D.C., on December 24, 1970.

J. H. SHAFFER,
Administrator.

[F.R. Doc. 71-89; Filed, Jan. 4, 1971; 8:50 a.m.]

[Airspace Docket No. 70-WE-98]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Federal Airway Segment

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to amend the description of VOR Federal airway No. 87 between San Francisco, Calif., and Napa, Calif.

Due to an out of tolerance condition, the San Francisco VOR has been relocated from lat. 37°37'10.4" N., long. 122° 22'22.1" W., to lat. 37°36'50" N., long. 122°21'24" W. This will require a 2 degree change in the description of V-87 between the San Francisco VOR and the Napa VORTAC. The relocation will require a change of approximately 2 degrees in the charted radials of V-25 between the Woodside, Calif., VORTAC and the San Francisco VOR. However, this will not require a redescription of this portion of V-25 since it is described as direct from the Woodside VORTAC to the San Francisco VOR.

Since this amendment is minor in nature and no substantive change in the regulation is effected, notice and public procedure thereon are unnecessary, and good cause exists for making this amendment effective on less than 30 days notice.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective upon publication in the FEDERAL REGISTER, as hereinafter set forth.

Section 71.123 (35 F.R. 2009) is amended as follows: In V-87 the phrase "INT San Francisco 359°" is deleted and the phrase "INT San Francisco 357°" is substituted therefor.

(Sec. 307(a) of the Federal Aviation Act of 1958; 49 U.S.C. 1348) and sec. 6(c) of the Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in Washington, D.C., on December 30, 1970.

H. B. HELSTROM,
Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 71-53; Filed, Jan. 4, 1971; 8:49 a.m.]

[Airspace Docket No. 70-WA-30]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

PART 75—ESTABLISHMENT OF JET ROUTES AND AREA HIGH ROUTES

Miscellaneous Amendments

On October 28, 1970, Federal Register Document No. 70-14460 was published in the FEDERAL REGISTER (35 F.R. 16677) which amended Parts 71 and 75 of the Federal Aviation Regulations by designating positive control area in south Texas from flight level 240 to and including flight level 600 and would revoke Jet Advisory Areas Nos. 25 and 29.

The Federal Aviation Administration has determined that it is appropriate to delay the effective date of the amendments contained in Airspace Docket No. 70-WA-30 until February 18, 1971. The commissioning date for the Oilton, Tex., radar system has been deferred to February 18, 1971, therefore the effective date of Airspace Docket No. 70-WA-30 has been established to coincide with the commissioning date of the Oilton, Tex., radar system.

In consideration of the foregoing, effective upon publication in the FEDERAL REGISTER, Federal Register Document No. 70-14460 is amended as follows: "effective 0901 G.m.t., January 7, 1971" is deleted and "effective 0901 G.m.t., February 18, 1971" is substituted therefor.

(Sec. 307(a) of the Federal Aviation Act of 1958; 49 U.S.C. 1348 and Sec. 6(c) of the Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in Washington, D.C., on December 30, 1970.

H. B. HELSTROM,
Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 71-52; Filed, Jan. 4, 1971; 8:49 a.m.]

[Airspace Docket No. 70-WA-44]

PART 73—SPECIAL USE AIRSPACE

Designation of Temporary Restricted Area

The purpose of this amendment to Part 73 of the Federal Aviation Regulations is to designate a temporary restricted area at Keweenaw Point, Mich.

The University of Michigan is presently involved with an important research project that has been assigned it by the National Aeronautical and Space Agency for the purpose of sounding the upper atmosphere to measure and study various phenomena including solar radiation, absorption of radio electrons, and free electron activity. This scientific project is of such unique character that the high altitude probe and soundings may be made only when certain precise atmospheric conditions exist. In order to accomplish this, only a limited notice as short as 6 hours will be available to notify the public before the high altitude Nike-Apache rocket is fired from the Keweenaw Peninsula, Mich.

The FAA has been advised, based on recently received information, that the desired atmospheric conditions necessary to support this research project will probably exist between January 4 and March 5, 1971. As a result of scientific computations, the impact area of the Nike missile is calculated to embrace an area of 35 statute miles in radius that will be centered at coordinates 47°08" N. and 86°55" W. The launch and booster impact area will be centered at 47°25" N. and 87°42" W., and will have an approximate radius of 10 statute miles. These two areas, measured from the ground up to an unlimited altitude, will enclose the only areas of potential airspace danger and will be utilized only once, for a one-shot missile operation for a short duration sometime between 10 a.m. and 2 p.m. between January 4 and March 5, 1971.

The FAA, in order to protect persons and property on the surface, as well as to insure that safety will be maintained in the airspace, is designating two restricted areas to accommodate the rocket operation. Among other matters considered in reaching this decision were the possible problems involving impact of the missile with vessels traveling over the water. We are in receipt of information indicating that during the period here involved, the water in the customary shipping lanes will be frozen and will be deplete of ships. Regardless of this, coordination has been established with the Coast Guard who have agreed to provide surveillance of the involved areas of possible danger to warn any ships that might enter the areas during the missile shot. In the event of missile malfunction, the personnel controlling the missile will destroy it.

Between the months of January and March, there is little or no VFR traffic that operates in the area of the proposed missile shot. Should a pilot intend to operate in this VFR area, he will be advised by NOTAM at least 6 hours in advance of the time of the missile launch. Pilots will also receive specific information concerning the operation from broadcasts made by the Houghton Flight Service Station. All IFR traffic, will, of course, be under the control of the Center, and crew members will also obtain additional advice from the NOTAM, FSS broadcasts, or even from company radio.

The restricted areas will be activated by the issuance of a NOTAM at least 6 hours in advance covering the time the areas will be utilized, and will be issued by the controlling agency, the Federal Aviation Administration, Minneapolis, Minn., Air Route Traffic Control Center.

Since the Administrator of the Federal Aviation Administration finds that this amendment is essential and a situation exists where safety requires immediate adoption of this amendment, it is found that notice and public procedure thereon are impracticable, and good cause exists for making this amendment effective on less than 30 days notice.

In consideration of the foregoing, Part 73 of the Federal Aviation Regulations is amended, effective immediately, as hereinafter set forth.

Section 73.42 (35 F.R. 2335) is amended by adding the following:

R-4203 Keweenaw Point, Mich.
Boundaries.
That airspace within a circular area with a 10-statute-mile radius centered at lat. 47°25' 24" N., long. 87°42'40" W.; including the additional airspace within a circular area with a 35 statute mile radius centered at lat. 47°08'00" N., long. 86°55'00" W.
Designated altitudes. Surface to unlimited.

Time of designation. By NOTAM issued at least 6 hours in advance during the period 10 a.m. to 2 p.m. e.s.t., January 4 through March 5, 1971.

Controlling agency. Federal Aviation Administration, Minneapolis, Minn., ARTCC.

Using agency. NASA, Goddard Space Flight Center, Greenbelt, Md.

(Sec. 307(a) of the Federal Aviation Act of 1958; 49 U.S.C. 1348 and sec. 6(c) of the Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in Washington, D.C., on December 30, 1970.

ROBERT W. MARTIN,
Acting Director, Air Traffic Service.

[F.R. Doc. 71-64; Filed, Jan. 4, 1971; 8:50 a.m.]

[Docket No. 10752; Amdt. Nos. 121-73 and 135-25]

PART 121—CERTIFICATION AND OPERATIONS: DOMESTIC, FLAG, AND SUPPLEMENTAL AIR CARRIERS AND COMMERCIAL OPERATORS OF LARGE AIRCRAFT

PART 135—AIR TAXI OPERATORS AND COMMERCIAL OPERATORS OF SMALL AIRCRAFT

Carriage of Dangerous Weapons Aboard Aircraft

The purpose of these amendments to Parts 121 and 135 of the Federal Aviation Regulations is to change the references in §§ 121.585 and 135.64 from "air carrier" and "air taxi operator" to "certificate holder," thereby making the prohibition against the carriage of deadly or dangerous weapons encompass persons aboard aircraft operated by commercial operators certificated under Parts 121 and 135 of the Federal Aviation Regulations. The amended rule will also encompass persons aboard aircraft operated by air travel clubs certificated under Part 123, since that part requires compliance with § 121.585 as it applies to commercial operators.

These amendments are considered necessary in the interest of safety in view of the increasing hazards to safety in air commerce due to the hijacking of aircraft.

Because of the emergency nature of the threat to the safety of persons and property carried in air commerce due to hijacking, I find that notice and public procedure thereon are impracticable and contrary to the public interest, and that this amendment may become effective in less than 30 days notice.

In consideration of the foregoing, Parts 121 and 135 of the Federal Aviation Regulations are amended, effective January 5, 1971, as follows:

1. In § 121.585 by striking out the words "an air carrier in air transportation" in the opening paragraph and inserting the words "a certificate holder" in place thereof; and by striking out the words "air carrier" in paragraph (b) and inserting the words "certificate holder" in place thereof.

2. In § 135.64 by striking out the words "an air taxi operator" in the opening paragraph and inserting the words "a certificate holder" in place thereof; and by striking out the words "air taxi operator" in paragraph (b) and inserting the words "certificate holder" in place thereof.

(Secs. 313(a) and 601 of the Federal Aviation Act of 1958; 49 U.S.C. 1354(a) and 1421, and section 6(c) of the Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in Washington, D.C., on December 24, 1970.

J. H. SHAFFER,
Administrator.

[F.R. Doc. 71-88; Filed, Jan. 4, 1971; 8:50 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

SUBCHAPTER D—TRADE REGULATION RULES

PART 421—UNSOLICITED MAILING OF CREDIT CARDS

Rescission of Trade Regulation

Effective October 26, 1970, the Federal Trade Commission rescinded the Trade Regulation Rule in Title 16 Part 421, relating to the Unsolicited Mailing of Credit Cards.

By virtue of enactment of Public Law 91-508, 91st Congress, HR 15073, the Truth In Lending Act has been amended so as to prohibit the issuance of a credit card except in response to a request or application for such card. The prohibition does not apply to credit cards issued as renewals or in substitution for credit cards previously accepted by the cardholder. This statute therefore supersedes the Commission's Trade Regulation rule interdicting the unsolicited mailing of credit cards.

The Federal Trade Commission, along with other Government agencies, is charged with the responsibility of enforcement of the above cited amendment to the Truth In Lending Act. The Commission invites retail credit card issuers to direct any questions they may have about this amendment to the Truth In Lending Act to the Division of Special Projects, Federal Trade Commission, Washington, D.C. 20580. Further, the Commission urges consumers who receive unsolicited credit cards to promptly call this to the Commission's attention.

Issued: January 5, 1971.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 71-37; Filed, Jan. 4, 1971; 8:47 a.m.]

Title 18—CONSERVATION OF POWER AND WATER RESOURCES

Chapter I—Federal Power Commission

[Docket No. R-394, etc.]

PART 154—RATE SCHEDULES AND TARIFFS

Termination of Moratorium Provisions in Southern Louisiana; Area Rate Proceeding

DECEMBER 24, 1970.

Order granting in part and denying in part applications for rehearing of Order No. 413 and Order issued in Docket No. AR69-1.

The Municipal Distributors Group (MDG), the Public Service Commission of the State of New York (PSCNY) and the Associated Gas Distributors (AGD) on November 27, 1970, filed applications for rehearing of the Commission's Order No. 413 issued October 27, 1970, in Docket No. R-394 and the associated order issued the same day in Docket No. AR69-1 implementing Order No. 413. Order No. 413 terminated the moratorium on above ceiling increased rate filings in Southern Louisiana prescribed in paragraphs (f) and (g) of § 154.105 of the Commission's regulations under the Natural Gas Act (18 CFR 154.105 (f) and (g)) and Ordering Paragraph (B) of Opinion No. 546-A (41 FPC 301 at 340). The order in Docket No. AR69-1 established the procedures to be followed in connection with increased rate filings made as a result of the lifting of the moratorium.

PSCNY in its application for rehearing points out that in Order No. 413 we did not mention its opposition to the proposed lifting of the moratorium. We did, however, reject the basic position advanced by PSCNY that the moratorium should not be lifted without an evidentiary hearing when we specifically rejected similar contentions by MDG and the Public Service Commission of the State of Wisconsin.

We have by separate order today reopened the initial area rate proceedings in the Southern Louisiana area, Docket No. AR61-2 et al. Our original decisions in those proceedings, Opinion Nos. 546 (40 FPC 530) and 546-A (41 FPC 301), have been affirmed by the U.S. Court of Appeals for the Fifth Circuit, Austral Oil Co. v. FPC, 428 F. 2d 407 (CA5 1970). Petitions for a writ of certiorari to the Fifth Circuit were denied by the U.S. Supreme Court on December 7, 1970.

The Fifth Circuit's opinion stressed that the determination of whether the moratorium provisions should be modified was to be reviewed without reference to their qualified affirmance by that court, 428 F. 2d at 431. The Court also cautioned that if supply problems exist, quick remedies will be required. We take this to be a judicial mandate to reexamine the moratoriums which were estab-

lished on the basis of the record in Docket No. AR61–2 et al. This mandate and the reopened record in those proceedings lend additional support to our determination that prompt action is required.

We did not, in either Order No. 413 or the accompanying order in Docket No. AR69–1, impose any limitation on rate increase filings which might be made subsequent to the lifting of the moratorium. Rate increases filed thereafter were therefore subject only to the price limitations of the governing contracts. AGD states in its application for rehearing that it agrees with the objective of the Commission's action but suggests that such rate increases be limited to the rate levels set forth in the settlement proposal filed in Dockets Nos. AR61–2 et al. and AR69–1 subsequent to the issuance of Order No. 413 and the order in Docket No. AR69–1.[1]

We are well aware that a few parties have responded to the settlement proposal by contending that the settlement rates are either too low or too high. The settlement proposal, on the other hand, has widespread support among many of the interested parties involved in those proceedings. While we presently make no determination as to the merits of these respective positions, we believe the proposed settlement ceilings provide a justifiable temporary ceiling for increased rate filings. We shall therefore modify our previous orders regarding the moratorium provisions so as to limit rate increase filings, as permitted by contract, to the levels set forth in the filed settlement proposal. The moratorium provisions, as so limited, will expire on June 30, 1971, absent further Commission action.

The applications for rehearing set forth no further new facts or principles of law which were not fully considered in Order No. 413 and the order in Docket No. AR69–1, or which, having now been considered, warrant any modification of those orders, except as hereinafter provided.

The Commission finds: It is necessary and appropriate in the public interest and for carrying out the provisions of the Natural Gas Act, that Order No. 413 and the order in Docket No. AR69–1 be modified as hereinafter ordered.

The Commission orders:

(A) Order No. 413 is modified to prohibit any increased rate filing in excess of: [2]

(a) For contracts dated prior to October 1, 1968

Onshore 22.375 cents per Mcf.
Offshore 21.375 cents per Mcf.[3]

(b) For contracts dated on or after October 1, 1968 [4]

Onshore 26 cents per Mcf.
Offshore 26 cents per Mcf.

(B) The limitations on increased rate filings set forth in Ordering Paragraph (A) above shall expire on June 30, 1971.

(C) Any increased rate filing made as a result of the issuance of Order No. 413 which is in excess of the applicable level prescribed in Ordering Paragraph (A) above is rejected ab initio to the extent it exceeds the applicable level prescribed in Ordering Paragraph (A) above. Any producer who has made such an above ceiling increased rate filing may collect the applicable rate level prescribed in Ordering Paragraph (A) above, subject to refund, as of January 10, 1971 or as of the expiration of the suspension period for such filing in accordance with the provisions of the order issued October 27, 1970 in Docket No. AR69–1.

(D) Except as herein granted, the applications for rehearing of Order No. 413 and the accompanying order in Docket No. AR69–1 are denied.

(E) The Secretary of the Commission shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 71–63; Filed, Jan. 4, 1971; 8:51 a.m.]

[1] See Motion of United Distribution Companies for Promulgation of Settlement Proposal, filed Nov. 6, 1970, in Dockets Nos. AR61–2 et al. and AR69–1.

[2] All prices stated at 15.025 p.s.i.a. The ceiling prices are subject to upward or downward B.t.u. adjustment as provided in Opinions Nos. 546 and 546–A. The ceiling price for offshore gas delivered by a producer onshore shall be the applicable offshore price plus 1 cent per Mcf.

[3] The onshore ceiling shall apply to gas produced offshore where there is a dispute between Louisiana and the United States as to jurisdiction.

[4] Including those contracts set forth in Appendix B of Commission Order No. 546–A.

Title 20—EMPLOYEES' BENEFITS

Chapter V—Manpower Administration, Department of Labor

PART 615—EXTENDED UNEMPLOYMENT COMPENSATION

Title 20 of the Code of Federal Regulations is hereby amended by adding thereto a new Part 615 dealing with the Federal-State extended unemployment compensation program established by the Federal-State Extended Unemployment Compensation Act of 1970 (Title II of Public Law 91–373).

The provisions of 5 U.S.C. 553 which require notice of proposed rulemaking, public participation in their adoption, and delay in effective date are not applicable because the regulations relate solely to public benefits and are not addressed primarily to members of the public but rather to the several States which must adopt and administer such programs, and further, notice, public participation, and delay is found not to be in the public interest which in this instance makes desirable the prompt enactment by the States of appropriate legislation and the prompt payment of the extended unemployment compensation.

The regulations shall become effective on the date of their publication in the FEDERAL REGISTER.

As added, Part 615 reads as follows:

Sec.

AUTHORITY: The provisions of this Part 615 issued under Public Law 91–373; Secretary's Order No. 14–69, dated Mar. 14, 1969, 34 F.R. 6502.

§ 615.1 Purpose.

These regulations are promulgated to implement the Federal-State Extended Unemployment Compensation Act of 1970 (Title II, Public Law 91–373) which requires, as a condition for any tax offset under the Federal Unemployment Tax Act, that a State unemployment compensation law provide after December 31, 1971 (or after June 30, 1972, if the State legislature does not meet in regular session in 1971), extended unemployment compensation during periods of high unemployment to workers who, because they have exhausted their rights to regular unemployment compensation, have no rights to cash unemployment benefits under any State or Federal laws, and that the Federal Government pay one-half of all extended unemployment compensation paid in the State, including compensation provided under regular State programs in excess of 26 weeks of benefits when such benefits are paid during the defined high unemployment periods. State unemployment compensation laws may provide for such a program betewen October 11, 1970, and December 31, 1971, and receive the Federal payment, under certain conditions.

§ 615.2 Definitions.

For the purpose of these regulations—

(a) The term "Act" means the Federal-State Extended Unemployment Compensation Act of 1970.

(b) Terms defined in section 205 of the Act have the same meaning in these regulations except insofar as the meaning of any such term is implemented in this section.

(c) The term "eligibility period" means, with respect to an individual, the period consisting of (1) the weeks in his benefit year which begin in an extended benefit period and, (2) if his benefit year ends within an extended benefit

period, any weeks thereafter which begin in such extended benefit period.

(d) The term "additional compensation" means compensation totally financed by a State and payable under a State law to exhaustees by reason of conditions of high unemployment or by reason of other special factors, such as, an exhaustee's being in training with the approval of the State agency.

(e) The term "regular compensation" means compensation payable to an individual (including dependents' allowances) under any State unemployment compensation law (including compensation payable pursuant to 5 U.S.C. Chapter 85) other than extended compensation and additional compensation.

(f) The term "extended compensation" means compensation payable for weeks of unemployment beginning in an extended benefit period to an individual under those provisions of a State law which satisfy the requirements of the Act with respect to the payment of extended compensation and, when so payable, includes additional compensation and compensation payable pursuant to 5 U.S.C. Chapter 85.

(g) The term "sharable compensation" is described in the Act to include—

(1) Extended compensation paid to an individual for weeks of unemployment in his eligibility period to the extent that the aggregate extended compensation paid to such individual with respect to any benefit year does not exceed the smallest of the following amounts:

(i) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to him during this applicable benefit year,

(ii) 13 times his average weekly benefit amount during such benefit year, or

(iii) 39 times his average weekly benefit amount, reduced by the regular compensation paid (or deemed paid) to him during such benefit year; and

(2) Regular compensation paid to an individual for weeks of unemployment in his eligibility period to the extent that the sum of such compensation, plus the regular compensation paid (or deemed paid) to him with respect to prior weeks of unemployment in the benefit year exceeds 26 times (and does not exceed 39 times) the average weekly benefit amount (including allowances for dependents) for weeks of total unemployment payable to such individual during such benefit year.

§ 615.3 Early effective date.

(a) No extended benefit period under the Act may become effective in any State with a week that begins prior to October 11, 1970.

(b) Compensation paid for a week of unemployment in an extended benefit period that begins with a week that begins within the period from October 11, 1970, through December 31, 1971, shall be sharable compensation only if—

(1) The State law providing such compensation is approved under section 3304(a)(11) of the Internal Revenue Code of 1954, and

(2) With respect to weeks beginning before January 1, 1972, the State law provides that an extended benefit period for the State shall be determined solely on the basis of a State "on" and a State "off" indicator respectively.

§ 615.4 Entitlement; exhaustee.

(a) *Entitlement.* An individual is entitled to extended compensation for a week of unemployment in his eligibility period if, with respect to such week, he is an exhaustee under this section and he meets the requirements of State law applicable to him as provided in the Act and these regulations.

(b) *Exhaustee.* An individual is an exhaustee with respect to a week of unemployment in his eligibility period if—

(1) He has received, prior to such week, all the regular compensation payable to him according to the monetary determination for his current benefit year that includes such week under the unemployment compensation law of the State in which he files a claim for extended compensation or the unemployment compensation law of any other State; or

(2) He has received, prior to such week, all the regular compensation available to him in his current benefit year that includes such week under the unemployment compensation law of the State in which he files a claim for extended compensation or the unemployment compensation law of any other State after a cancellation of some or all of his wage credits or the partial or total reduction of his right to regular compensation; or

(3) His benefit year having expired prior to such week, he has insufficient wages or employment, or both, on the basis of which he could establish in any State a new benefit year that would include such week, or having established a new benefit year that includes such week, he is precluded from receiving regular compensation by reason of a State law provision which meets the requirement of section 3304(a)(7) of the Internal Revenue Code of 1954; and

(4) He has no right to unemployment compensation or allowances, as the case may be, under the following Federal laws: the Railroad Unemployment Insurance Act, the Trade Expansion Act, and the Automotive Products Trade Act; and

(5) He has not received and is not seeking for such week unemployment compensation under the law of the Virgin Islands or of Canada, but if he is seeking such compensation and the appropriate agency finally determines that he is not entitled to compensation under such law, he is an exhaustee.

(c) For the purposes of paragraphs (b)(1) and (2) of this section, an individual shall be deemed to have received in his current benefit year all of the regular compensation payable to him according to the monetary determination or available to him, as the case may be, even though—

(1) As a result of a pending appeal with respect to wages or employment or both that were not included in the original monetary determination with respect to such benefit year, he may subsequently be determined to be entitled to more regular compensation; or

(2) By reason of a seasonal provision in the State law that establishes the weeks of the year in which regular compensation may be paid to individuals on the basis of wages in seasonal employment, (i) he may be entitled to regular compensation with respect to future weeks of unemployment but such compensation is not payable with respect to the week of unemployment for which he is claiming extended compensation; and (ii) he is otherwise an exhaustee within the meaning of this section with respect to his rights to regular compensation, under such State seasonal provision, during the portion of the year in which that week of unemployment occurs; or

(3) Having established a benefit year, no regular compensation is payable to him during such year because his wage credits were cancelled or his right to regular compensation was totally reduced as the result of the application of a disqualification.

§ 615.5 Amount of extended compensation.

(a) *Weekly amount*—(1) *Total unemployment.* The State law shall specify that the weekly amount of extended compensation payable to an individual for a week of total unemployment in his eligibility period shall be the amount of regular compensation payable to him for a week of total unemployment during his current benefit year, or if he has no current benefit year, his most recent benefit year. If the individual had more than one weekly amount of regular compensation for total unemployment during such benefit year, the weekly amount of extended compensation for total unemployment shall be any one of the following specified in the State law:

(i) The average of such weekly amounts of regular compensation, or

(ii) The last weekly benefit amount of regular compensation in such benefit year, or

(iii) An amount that is reasonably representative of the weekly amount of regular compensation payable during such benefit year.

If the method in subdivision (iii) of this subparagraph is provided for, the State law shall specify how such amount is to be computed. If the method in subdivision (i) of this subparagraph is provided for, and the amount computed is not an even dollar amount, the amount shall be raised or lowered to an even dollar amount as provided by State law for regular compensation.

(2) *Partial unemployment.* The weekly benefit amount of extended compensation payable for a week of less than total unemployment shall be based on the weekly benefit amount determined pursuant to subparagraph (1) of this paragraph.

(b) *Individual's extended compensation account.* (1) The State law shall provide for the establishment of an extended compensation account for each individual who files an application for

extended compensation with respect to each applicable benefit year in an amount not less than whichever of the following is the least:

(i) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to him during his applicable benefit year;

(ii) 13 times his average weekly benefit amount during such benefit year, or

(iii) 39 times his average weekly benefit amount, reduced by the regular compensation paid (or deemed paid) to him during such benefit year.

Wherever the individual's average weekly benefit amount is necessary for the computation of the total in the individual's account, the weekly amount determined pursuant to paragraph (a) of this section shall be used.

(2) States which paid additional compensation for weeks of unemployment which began prior to the effective date of an extended benefit period which is current when an individual first claims extended compensation may reduce the individual's extended compensation account by the amount of such additional compensation paid (or deemed paid) if the State law provides for such reduction.

(3) If an individual is entitled to more extended compensation as a result of an appeal which afforded him more regular compensation, an appropriate change shall be made in the individual's extended compensation account.

§ 615.6 More extended compensation resulting from more regular compensation awarded on appeal.

If an individual who has received extended compensation for week(s) of unemployment is determined to be entitled to more regular compensation with respect to such week(s) as the result of an appeal, the extended compensation paid to him shall be treated as if it were regular compensation up to the greater amount of regular compensation to which he has been determined to be entitled and the State agency shall make appropriate adjustments between the State and Federal accounts. If the individual is entitled to more extended compensation as a result of being entitled to more regular compensation, an amended determination shall be made of his entitlement to extended compensation and a notice of such determination shall be given to the individual and if appropriate under the State law to his employer(s), as provided in § 615.9(a)(3).

§ 615.7 No duplication.

(a) No individual shall be paid additional compensation and extended compensation with respect to the same week. An individual who is eligible for both for the week shall be appropriately informed of the consequences of his claiming either type of compensation, and shall be given the opportunity to elect which of the two types of compensation he wishes to claim. If he makes no election, the State agency shall process the claim for the type of compensation that it believes is most advantageous to him.

(b) An individual who is entitled to both extended compensation under the Act and training allowances under section 203 of the Manpower Development and Training Act with respect to a week shall be treated as he would have been treated had he been entitled to both regular compensation and such training allowance.

§ 615.8 Recovery including restitution and offset.

The provisions of State law applicable to recovery of overpayments (including restitution and offset) shall apply to overpayments of extended compensation. If there is recovery of extended compensation, that proportion of the amount restored or offset which represents the Federal share of the original payment shall be restored to the appropriate Federal account.

§ 615.9 Terms and conditions of State law.

(a) Except where the result would be inconsistent with the purpose of the Act, the terms and conditions of the State law which apply to claims for, and payment of, regular compensation shall apply to claims for, and the payment of, extended compensation, including, but not limited to—

(1) Claim filing, claimant reporting, and registration for work;

(2) Information to claimants;

(3) Notices to claimants and to employers, as appropriate, which shall apply also to a notice of claimant's weekly amount of extended compensation determined pursuant to § 615.5(a) and the total amount in a claimant's extended compensation account determined pursuant to § 615.5(b);

(4) Determinations, redeterminations, appeals, and review;

(5) The week for which compensation is paid, i.e., flexible, calendar or other statutory week;

(6) Ability to work, availability for work and search for work, and

(7) Disqualifications.

(b) The State statute or regulations shall specify those of its terms and conditions not applicable to claims for, or payment of, extended compensation. Among such terms and conditions shall be at least those relating to—

(1) Any waiting period;

(2) Monetary or other qualifying requirements and such requalifying requirements as are necessary to meet the requirements of 3304(a)(7) of the Internal Revenue Code of 1954, and

(3) Computation of weekly and total regular compensation.

§ 615.10 Effect of disqualification for regular compensation on entitlement to extended compensation.

If the week of unemployment for which an individual claims extended compensation is a week to which a disqualification for regular benefits applies, the individual shall not be entitled to extended compensation for that week.

§ 615.11 Charging extended compensation.

Section 3303(a)(1) of the Internal Revenue Code of 1954 does not require that extended compensation paid to an individual be charged to the experience rating account of his employer(s). The State law may, however, consistently with section 3303(a)(1), require the charging of extended compensation paid to an individual, and if it does, it may provide for charging all or any portion of such compensation paid. Sharable regular compensation must be charged as all other regular compensation is charged under the State law.

§ 615.12 Employer's reimbursement of extended compensation.

The State law shall require an employer to reimburse the State fund for 50 percent of any sharable compensation paid to an individual that is attributable under the State law to service with such employer if the employer, consistently with the requirements of section 3303 of the Internal Revenue Code of 1954, is reimbursing the State fund with respect to such service.

§ 615.13 Determination of national and State indicators.

(a) There is a national "on" indicator for a week if the Secretary determines that for each of the three most recent completed calendar months ending before such week, the rate of insured unemployment (seasonally adjusted) for all States equaled or exceeded 4.5 percent.

(b) There is a national "off" indicator for a week if the Secretary determines that for each of the three most recent completed calendar months ending before such week, the rate of insured unemployment (seasonally adjusted) for all States was less than 4.5 percent.

(c) There is a State "on" indicator for a State for a week if the head of the State agency determines, in accordance with § 615.14(b), that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment (not seasonally adjusted)—

(1) Equaled or exceeded 120 percent of the average of such rates for the corresponding 13-week period in each of the preceding 2 calendar years, and

(2) Equaled or exceeded 4 percent.

(d) There is a State "off" indicator for a State for a week if the head of the State agency determines, in accordance with § 615.14(b), that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment (not seasonally adjusted)—

(1) Was less than 120 percent of the average of such rates for the corresponding 13-week period ending in each of the preceding 2 calendar years, or

(2) Was less than 4 percent.

(e) Within ten (10) calendar days after the end of any week with respect to which the head of a State agency has determined that there is an "on" indicator or an "off" indicator in his State

by reason of which an extended benefit period will begin or end in his State, as the case may be, he shall notify the Secretary of his determination. Such notice shall state clearly the State agency head's determination of the specific week for which there is a State "on" indicator or "off" indicator, as the case may be, and the week which begins an extended benefit period under the State law or ends such an extended benefit period, whichever is appropriate. Such notice shall include also the State agency head's findings of the volume and rates of insured unemployment and the average monthly covered employment for the appropriate periods that support his determination.

§ 615.14 Computation of rate of insured unemployment.

(a) *National "on" and "off" indicators.* (1) The Secretary shall determine the "rate of insured unemployment" for purposes of the national "on" and "off" indicators. In making such determination he shall use, for each of the three most recent calendar months ending before the week for which the determination is made, a fraction the numerator of which will be the weekly average number of weeks claimed in all States as reported to the Secretary by all State agencies on regular reports required pursuant to § 615.18, adjusted by the seasonal adjustment factor or factors applicable to the month, and the denominator of which will be the average monthly covered employment in all States as reported to the Secretary by all State agencies for the first four of the last six calendar quarters ending before each month.

(2) The rate of insured unemployment for any month, seasonally adjusted, shall be the quotient derived from the use of the fraction for the month as provided in subparagraph (1) of this paragraph, computed to four decimal places and not otherwise rounded.

(3) The seasonal adjustment factor or factors for a month shall be the latest applicable seasonal adjustment factor or factors for the month published by the Bureau of Labor Statistics, United States Department of Labor.

(b) *State "on" and "off" indicators.* (1) The head of the State agency shall determine the "rate of insured unemployment" for purposes of the State "on" and "off" indicators. In making such determination he shall use a fraction, the numerator of which will be the weekly average number of weeks claimed in the State for the 13-week period ending with the week for which the determination is made (not seasonally adjusted) and the denominator of which will be the average monthly employment covered under the State law for the first four of the last six calendar quarters ending before the close of the 13-week period. The quotient obtained is to be computed to four decimal places and is not to be otherwise rounded.

(2) The rate for the most recent 13-week period is to be divided by the average of the rates for the corresponding 13-week periods in each of the 2 prior years to determine whether the rate is equal to 120 percent of the average rate for the 2 years. The quotient obtained is to be computed to four decimal places and is not to be otherwise rounded. The average of the rates for the corresponding 13-week periods in each of the 2 prior years will be one-half the sum of such rates for such period computed to four decimal places and not otherwise rounded.

(3) For the purpose of determining the corresponding 13-week period ending in each of the preceding calendar years the first week in any calendar year shall be the first full calendar week in such year. The Secretary shall issue to each State a list of numbered weeks for each calendar year beginning with the first Sunday in January 1968.

(c) *For both national and State indicators.* (1) In determining the "weekly average number of weeks claimed" for any period the State agency shall count weeks claimed in continued claims (including interstate claims filed in the State) for total, partial or part-total unemployment for regular, extended or additional compensation, and shall exclude claims filed under 5 U.S.C. Chapter 85 (UCFE/UCX) and interstate claims filed against the State as liable State.

(2) Each State agency shall, in accordance with Part III of the "Employment Security Manual," section 2015, adjust the weekly average number of weeks claimed in a State to eliminate distortions or fluctuations in the volume of weekly claims due to such factors as rescheduling a claimant's reporting day when it falls on a holiday or when the agency shifts from a weekly to a biweekly reporting system, or to delayed receipt of mail claims.

(3) The determination of the "average monthly employment for the first four of the last six completed calendar quarters covered under a State law" shall be based on the employment data submitted by a State agency on regular reports required pursuant to § 615.18, which data shall not include Federal civilian and military employment. After covered employment data for any quarter have been used to calculate a rate of insured unemployment under the provisions of the Act, such data shall not after such use be changed for the purpose of that calculation or of any calculation for any subsequent quarter.

§ 615.15 Extended benefit period: beginning and ending.

(a) An extended benefit period in a State shall begin on the first day of the third calendar week after whichever of the following occurs first:

(1) A week for which there is a national "on" indicator, or

(2) A week for which there is an "on" indicator in that State.

(b) An extended benefit period in a State shall end on the last day of the third week after the first week for which there is both a national and a State "off" indicator in that State. An extended benefit period established in a State prior to January 1, 1972, may be terminated before that date solely on the basis of a State "off" indicator in that State.

(c) Notwithstanding the provisions of paragraph (b) of this section, an extended benefit period which becomes effective in any State shall continue for not less than 13 consecutive weeks.

(d) In the case of any State no extended benefit period may begin by reason of a State "on" indicator before the 14th week after the close of a prior extended benefit period with respect to such State.

(e) "Week" for the purpose of determining whether a State or national "on" or "off" indicator occurs means a calendar week beginning at 12:01 a.m. Sunday and ending 12 p.m. on the following Saturday.

§ 615.16 Announcement of the beginning and ending of an extended benefit period.

(a) Immediately after the Secretary determines that there is a national "on" indicator or that there is a national "off" indicator he shall publish in the FEDERAL REGISTER a notice of such determination. In addition to stating the Secretary's determination with respect to the national indicator, such notice shall designate the beginning or ending date, as the case may be, of an extended benefit period for all States. If an extended benefit period continues beyond such ending date in a State by reason of a State indicator, such notice shall list all such States. The Secretary shall also notify appropriate news media and the heads of all State agencies of his determination of any national "on" or "off" indicator and of its effect.

(b) Upon receipt of the notice required by § 615.13(e), the Secretary shall publish in the FEDERAL REGISTER a notice of the State agency head's determination that there is an "on" indicator or an "off" indicator in his State, as the case may be, the name of the State and the beginning or ending date of the extended benefit period, whichever is appropriate. The Secretary shall also notify appropriate news media and the heads of all other State agencies of the State agency head's determination of such State "on" or "off" indicator and of its effect.

(c) Whenever a State agency head determines that there is an "on" indicator in his State by reason of which an extended benefit period will begin in his State or an "off" indicator by reason of which an extended benefit period in his State will end, he shall promptly announce his determination through appropriate news media in the State. Such announcement shall include the beginning or ending date of the extended benefit period, whichever is appropriate. In the case of an extended benefit period that is about to begin, the announcement shall also describe clearly what unemployed individuals may be eligible for extended compensation during the extended benefit period.

§ 615.17 Payment to States.

(a) *Sharable compensation to individuals covered by State law.* (1) Except

as provided in subparagraph (3) of this paragraph and in paragraph (b) of this section—

(i) The Secretary shall promptly reimburse each State which has paid sharable compensation to individuals covered by the State law an amount representing one-half of the amount of such sharable compensation paid under the State law during any calendar month.

(ii) The Secretary may instead, when he deems it necessary, advance to a State such amount as he estimates will represent one-half of the sharable compensation to be paid under the State law for a calendar month or fraction thereof, reduced or increased, as the case may be, by any amount by which the Secretary finds that a previous advance for any prior calendar month or fraction thereof was greater or less than was necessary for the purpose of paying sharable compensation.

(2) Any payments to a State pursuant to subparagraph (1) of this paragraph shall be made by a transfer from the extended unemployment compensation account in the Unemployment Trust Fund to the account of the State in such fund.

(3) The Secretary shall make no payment to a State under this paragraph in respect of sharable compensation for which the State is entitled to reimbursement under the provisions of any Federal law other than the Act.

(b) *Extended compensation to individuals covered by 5 U.S.C. chapter 85.* (1) The Secretary shall pay to each State as provided in 5 U.S.C. 8505 an amount equal to the additional cost of extended compensation paid to Federal civilian workers and ex-servicemen pursuant to 5 U.S.C. Chapter 85.

(2) Any payments to a State pursuant to subparagraph (1) of this paragraph shall be made out of appropriations for the payment of unemployment compensation to Federal civilian workers and ex-servicemen pursuant to 5 U.S.C. Chapter 85.

(c) *Combined wage credits.* Where regular compensation exhausted by an individual or sharable regular compensation was based on combined wage credits earned in more than one State, any payment required by paragraph (a) or (b) of this section shall be made only to the State which paid the compensation with respect to which the payment is made to the individual.

(d) *Interstate benefits.* Where sharable compensation is paid to an individual under the provisions of the Interstate Benefits Payment Plan, any payment required by paragraph (a) or (b) of this section shall be made only to the liable State.

§ 615.18 Information, reports and studies.

State agencies are required to furnish to the Secretary such information and reports and to make such studies as he finds necessary or appropriate for carrying out the purposes of the Act.

Signed at Washington, D.C., this 30th day of December 1970.

MALCOLM R. LOVELL, Jr.,
Assistant Secretary for Manpower.

[F.R. Doc. 71-36; Filed, Jan. 4, 1971; 8:47 a.m.]

Title 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 524—SPECIAL MINIMUM WAGES FOR HANDICAPPED WORKERS IN COMPETITIVE EMPLOYMENT

On September 30, 1970, notice of proposed rule making regarding Part 524 of Title 29, Code of Federal Regulations, was published in the FEDERAL REGISTER (35 F.R. 15224).

After consideration of all relevant matter presented by interested persons, I am persuaded that it is not necessary at this time to provide for temporary certificates at rates of less than 50 percent of the minimum, in order to prevent the curtailment of opportunities for employment generally. A State vocational rehabilitation agency or the Veterans' Administration may apply for a special certificate to the Wage and Hour Division when the agency considers a special certificate authorizing a wage rate of less than 50 percent of the minimum wage is necessary for a handicapped individual with severely impaired earning power who is under the sponsorship of the agency.

Under the proposed authorization for the Veterans' Administration or State vocational rehabilitation agency to apply for a special certificate without issuing a temporary certificate, a new section should be inserted, which, when certain deletions are made in the amendment as proposed, will become a new § 524.4(e).

The amendment as proposed is hereby adopted, subject to the following changes:

1. In the table of contents, the title to § 524.4 is revised.

2. In § 524.4, all of paragraph (e); the second sentence of paragraph (d); and the third sentence of paragraph (e) are deleted.

3. In § 524.4, paragraphs (d) and (e) are redesignated as paragraphs (c) and (d), respectively.

4. In § 524.4, a new paragraph (e) is added.

Effective date. This amendment shall become effective 30 days following the date of its publication in the FEDERAL REGISTER.

Signed this 30th day of December 1970.

ROBERT D. MORAN,
Administrator, Wage and Hour Division, United States Department of Labor.

Sec.

AUTHORITY: The provisions of this Part 524 issued under sec. 14, 52 Stat. 1068, as amended; 29 U.S.C. 214. Interpret or apply sec. 11, 52 Stat. 1066, as amended; 29 U.S.C. 211.

§ 524.1 Applicability of this part.

(a) The Fair Labor Standards Amendments of 1966 (Public Law 89-601, 80 Stat. 830), among other things, revise the provisions of the Fair Labor Standards Act of 1938 (29 U.S.C. 201) for the competitive employment of handicapped persons at special minimum wages. The provision is now codified at section 14(d) of that Act. It reads in part as follows:

(d) (1) Except as otherwise provided in paragraphs (2) and (3) of this subsection, the Secretary of Labor, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulation or order provide for the employment under special certificates of individuals (including individuals employed in agriculture) whose earning or productive capacity is impaired by age or physical or mental deficiency or injury, at wages which are lower than the minimum wage applicable under section 6 of this Act but not less than 50 per centum of such wage and which are commensurate with those paid nonhandicapped workers in industry in the vicinity for essentially the same type, quality, and quantity of work.

(2) The Secretary, pursuant to such regulations as he shall prescribe and upon certification of the State agency administering or supervising the administration of vocational rehabilitation services, may issue special certificates for the employment of—

(A) handicapped workers engaged in work which is incidental to training or evaluation programs, and

(B) multihandicapped individuals and other individuals whose earning capacity is so severely impaired that they are unable to engage in competitive employment, at wages which are less than those required by this subsection and which are related to the worker's productivity.

(3) (A) The Secretary may by regulation or order provide for the employment of handicapped clients in work activities centers under special certificates at wages which are less than the minimums applicable under section 6 of this Act or prescribed by paragraph (1) of this subsection and which constitute equitable compensation for such clients in work activities centers.

(B) For purposes of this section, the term "work activities centers" shall mean centers planned and designed exclusively to provide therapeutic activities for handicapped clients whose physical or mental impairment is so severe as to make their productive capacity inconsequential.

(b) Paragraphs (2)(A) and (3) (A) and (B) of section 14(d) of the Act

quoted above make provision for the employment of individuals whose work is incidental to State agency certified training or evaluation programs or whose productive capacity is inconsequential. Special minimum wages for such persons, which may, when appropriate, be less than 50 per centum of the minimum wage applicable under section 6 of the Act, apply only when they are employed in sheltered workshops under certificates authorized in Part 525 of this chapter.

(c) Under this Part 524, certificates are not issued for less than 75 per centum of the statutory minimum, unless a lower rate is clearly justified, in which case the lowest rate generally that may be authorized is 50 per centum of that minimum. For the multihandicapped and other workers whose earning capacity is severely impaired (referred to in section 14(d)(2)(B) of the Act), a wage lower than 50 per centum of the statutory minimum (but not less than 25 per centum of that minimum) under appropriate circumstances may be authorized after certification by the State agency administering or supervising rehabilitation services. (Generally, workers with such severely impaired earning capacity are employed in sheltered workshops under certificates authorized in Part 525 of this chapter.)

§ 524.2 Definitions, as used in this part.

(a) "Handicapped worker" or "worker" means an individual whose earning capacity is impaired by age or physical or mental deficiency or injury for the work he is to perform.

(b) "Handicapped trainee" or "trainee" means an individual whose earning capacity is impaired by age or physical or mental deficiency or injury, and who is receiving or is scheduled to receive on-the-job training in industry under any vocational rehabilitation program administered by the Veterans' Administration or an authorized vocational rehabilitation agency operating pursuant to the Vocational Rehabilitation Act, as amended.

(c) "State agency" shall mean the State agency which administers or supervises the administration of vocational rehabilitation services in any State of the United States, the District of Columbia, Puerto Rico, or the territory or possession of the United States in which the employment at special minimum wages is to occur.

(d) "Competitive employment" is employment of a handicapped worker whose earning or productive capacity would yield wages equal to at least 50 per centum of the minimum wage applicable under section 6 of the Act at wage rates which are commensurate with those for nonhandicapped workers in the industry in the vicinity for essentially the same type, quality, and quantity of work.

§ 524.3 Application for a certificate.

(a) Application shall be made to the Regional Director of the administrative region of the Wage and Hour Division, U.S. Department of Labor, in which the handicapped worker or handicapped trainee is to be employed. For Puerto Rico, the Virgin Islands, and the Canal Zone, application shall be made to the Caribbean Director in Puerto Rico. Application forms may be obtained from the appropriate Director.

(b) The application shall set forth, among other things, the nature of the disability, a description of the occupation at which the worker is to be employed, and the wage the firm proposes to guarantee the worker per hour. The nature of the disability must be set out in detail. Vague statements such as "nervous condition", "physically incapacitated", "slow worker", etc., are not sufficient.

(c) When a wage is requested which is less than 50 per centum of the minimum wage applicable under section 6 of the Act, the application shall also contain—

(1) Evidence that the individual is multihandicapped or so severely impaired that he is unable to engage in competitive employment as defined in § 524.2(d). For such workers the rate shall be not less than 25 per centum of the statutory minimum.

(2) Such application shall also be certified by the State agency defined in § 524.2(c) that the individual is a multihandicapped individual or other individual whose earning capacity is so severely impaired that he is unable to engage in competitive employment.

(d) The application shall be signed jointly by the employer and worker and be returned to the Regional or District Director by the employer.

(e) No application is required for a temporary certificate for a special minimum wage for a handicapped trainee being trained under any authorized vocational rehabilitation program. Such temporary certificates are issued in accordance with procedures set out in § 524.4.

§ 524.4 Special provisions applicable to handicapped trainees.

(a) Employment of a trainee (pursuant to the Vocational Rehabilitation Act or to a vocational rehabilitation program of the Veterans' Administration for veterans with a service-incurred disability) under a temporary certificate or a special certificate shall be governed by this part as modified by this section.

(b) Temporary certificates authorizing the employment of such trainees at wages lower than the minimum wage applicable under section 6 of the Act but not less than 50 per centum of such wage and which are commensurate with those paid nonhandicapped workers in industry in the vicinity for essentially the same type, quality, and quantity of work may be issued whenever employment at such lower rate is necessary in order to prevent curtailment of opportunities for employment. Such temporary certificates are to be issued by duly designated representatives of State vocational rehabilitation agencies and of the Veterans' Administration.

(c) A temporary certificate will designate the employer, the trainee, and the special minimum wage rate. A temporary certificate will be valid for a period not to exceed 90 days from the date of issuance and may not be issued retroactively.

(d) Within 10 days after issuance of a temporary certificate, the supervising rehabilitation agency will forward a copy of the certificate together with a recommendation covering the special minimum rates for the balance of the training period to the appropriate Director of the Wage and Hour Division, U.S. Department of Labor. Such recommendation shall not be for a wage which is less than is authorized pursuant to this § 524.4. The Regional or Caribbean Director, pursuant to this part may then issue a special certificate effective upon the expiration of the temporary certificate, or may terminate the temporary certificate prior to its expiration date, with or without issuing a superseding special certificate. If a temporary certificate is terminated prior to its expiration date without the issuance of a superseding special certificate, written notice of such a termination shall be given the employer, the trainee, and the supervising rehabilitation agency.

(e) When a special certificate authorizing a wage rate of less than 50 percentum of the minimum wage applicable under section 6 of the Act is considered necessary, the State agency or Veterans Administration may request that such certificate be issued by the Wage and Hour Division. Such a request shall be accompanied by supporting information, including certification by the State vocational rehabilitation agency that the handicapped worker is a multihandicapped individual or other handicapped individual whose earning capacity is so severely impaired that he is unable to engage in competitive employment.

(f) Money paid to the trainee by a State vocational rehabilitation agency or the Veterans' Administration for maintenance or other expenses shall not be considered as off-setting any part of the wage or other remuneration due the trainee by the employer.

(g) A temporary certificate shall not be issued for a trainee if a satisfactory training opportunity for the desired training is available in the community at the minimum wage applicable under section 6 of the Act or above.

§ 524.5 Conditions for granting a certificate.

If the application is in proper form and sets forth facts showing: (a) A special minimum wage is necessary to prevent curtailment of the worker's or trainee's opportunities for employment; and (b) the earning or productive capacity of the worker for the work he is to perform is impaired by age or physical or mental deficiency or injury, a certificate may be issued.

§ 524.6 Additional data when required.

To determine whether the facts justify the issuance of a certificate, the Administrator or his authorized representative may require the submission of additional information and may require the worker to take a medical examination.

§ 524.7 Issuance of a certificate.

(a) If the application and other available information indicate that the requirements of this part are satisfied, the Administrator or his authorized representative shall issue a certificate. Otherwise, he shall deny a certificate.

(b) If issued, copies of the certificate shall be transmitted to the employer and the worker or trainee, and, in the case of a certificate for a trainee, to the appropriate vocational rehabilitation agency. If a certificate is denied, the same parties shall be given written notice of the denial.

(c) A certificate may not be issued retroactively.

§ 524.8 Terms of a certificate.

(a) A certificate shall specify, among other things, the name of the worker or trainee, the occupation in which he is to be employed, the special minimum wage rate(s), and the period(s) of time during which such rate(s) may be paid.

(b) A certificate shall be effective for a period to be designated by the Administrator or his authorized representative. Workers or trainees may be paid special minimum wages only during the effective period of the certificate.

(c) The wage rate(s) set in the certificate shall be fixed at a figure designed to reflect adequately the individual worker's or trainee's earning or productive capacity. No wage rate shall be fixed at less than 75 per centum of the applicable minimum wage under section 6 of the Act unless after investigation a lower rate appears to be clearly justified. Such lower rate shall not be less than 50 per centum of the minimum wage applicable under section 6 of the Act, except for individuals certified by the State agency as having earning capacity so impaired that they are unable to engage in competitive employment, but in no event shall such wage rate be less than 25 per centum of the applicable minimum wage under section 6 of the Act nor less than is commensurate with wages paid nonhandicapped workers in industry in the vicinity for essentially the same type, quality, and quantity of work.

(d) In an establishment or a vicinity where nonhandicapped employees are employed at piece rates in the same occupation, the handicapped worker or trainee shall be paid at least the same piece rates. The worker or trainee must be paid his full piece rate earnings or the earnings at the hourly rate specified in the certificate, whichever is the greater.

(e) The worker or trainee shall be paid not less than one and one-half times the regular rate at which he is employed for all hours worked in excess of the maximum workweek applicable to him under section 7 of the Act.

(f) No provision of this part, or of any certificate issued under this part, shall excuse noncompliance with any other Federal or State law or municipal ordinance establishing higher standards.

(g) The terms of any certificate, including the wage rate(s) specified therein, may be amended by the Administrator or his authorized representative upon written notice to the parties concerned, if the facts justify such amendment.

§ 524.9 Renewal of a certificate.

(a) Application for renewal of any certificate shall be filed in the same manner as an original application.

(b) If an application for renewal has been properly and timely filed prior to the expiration date of a certificate, the certificate shall remain in effect until the application for renewal has been granted or denied.

§ 524.10 Records to be kept.

Every employer who employs a handicapped worker or handicapped trainee pursuant to these regulations shall keep, maintain, and have available for inspection by the Administrator or his authorized representative a copy of the certificate and all other records required under the applicable provisions of Part 516 (recordkeeping regulations) of this chapter.

§ 524.11 Review.

Any person aggrieved by an action of an authorized representative of the Administrator taken pursuant to this part may, within 15 days after such action, file with the Administrator a petition for review of the action complained of, setting forth grounds for seeking review. If such review is granted, the Administrator or an authorized representative who took no part in the action under review may, to the extent he deems it appropriate, afford other interested persons an opportunity to present data and views.

§ 524.12 Issuance of certificates for experimental purposes.

In addition to the issuance of certificates as provided in §§ 524.1 to 524.11, the Administrator may authorize the issuance of certificates to permit employment of handicapped workers at less than the applicable minimum wage under section 6 of the Act as part of experimental programs to increase employment opportunities for such workers. Such certificates shall be issued in such types of cases and on such terms and conditions within the scope of section 14(d) of the Act as the Administrator shall determine will best further any such experimental programs.

§ 524.13 Amendment of this part.

The Administrator may at any time upon his own motion or upon written request of any interested person setting forth reasonable ground therefor, and after opportunity has been given to interested persons to present their views, amend or revoke any of the terms of this part.

[F.R. Doc. 71-96; Filed, Jan. 4, 1971; 8:51 a.m.]

PART 723—LAUNDRY AND CLEANING INDUSTRY IN PUERTO RICO

Wage Order

Pursuant to sections 5 and 8 of the Fair Labor Standards Act of 1938 (52 Stat. 1062, 1064, as amended; 29 U.S.C. 205, 208) and Reorganization Plan No. 6 of 1950 (3 CFR 1949–53 Comp. p. 1004), and by means of Administrative Order No. 613 (35 F.R. 6436), the Secretary of Labor appointed and convened Industry Committee No. 96–B for the Laundry and Cleaning Industry in Puerto Rico, referred to the committee the question of the minimum rate or rates of wages to be paid under section 6(c) of the Act to employees in the industry, and gave notice of a hearing to be held by the committee.

Subsequent to an investigation and a hearing conducted pursuant to the notice, the committee has filed with the Administrator of the Wage and Hour Division of the Department of Labor a report containing its findings of fact and recommendations with respect to the matters referred to it.

Accordingly, as authorized and required by section 8 of the Fair Labor Standards Act of 1938, Reorganization Plan No. 6 of 1950, and 29 CFR 511.18, the recommendations of Industry Committee No. 96–B are hereby published, to be effective January 18, 1971, in this order amending § 723.2 of Title 29, Code of Federal Regulations.

As amended, § 723.2 reads as follows:

§ 723.2 Wage rates.

* * * * *

(a) *Driver classification.* (1) The minimum wage for this classification is $1.45 an hour for the period beginning February 1, 1970, and ending January 31, 1971; and $1.60 an hour thereafter.

* * * * *

(b) *Other activities classification.* (1) The minimum wage for this classification is $1.35 an hour for the period beginning February 1, 1970, and ending January 31, 1971; and $1.47 an hour thereafter.

* * * * *

(Secs. 5, 6, 8, 52 Stat. 1062, 1064, as amended; 29 U.S.C. 205, 206, 208)

Signed at Washington, D.C. this 30th day of December 1970.

ROBERT D. MORAN,
Administrator, Wage and Hour Division, United States Department of Labor.

[F.R. Doc. 71-97; Filed, Jan. 4, 1971; 8:51 a.m.]

Title 32A—NATIONAL DEFENSE, APPENDIX

Chapter X—Oil Import Administration, Department of the Interior

[Oil Import Regulation 1 (Rev. 5) Amdt. 26]

OI REG. 1—OIL IMPORT REGULATION

Miscellaneous Amendments

Proclamation 4025, dated December 22, 1970 (35 F.R. 19391) amended Proclamation 3279 to eliminate historical bases for the making of allocations of imports of crude oil, unfinished oils, and finished products. This action is reflected in the amendments of sections 4, 10, 11, 12, and

13 of Oil Import Regulation 1 (Rev. 5) which are set fourth below. Section 10 of the regulation is amended to provide, for the allocation period January 1, 1971, through December 31, 1971, allocations to refiners of imports of crude oil into Districts I–IV. Because of a considerable increase in the quantity of imports of crude oil available for allocation to refiners in District V, section 11 is amended to provide for tentative allocations which will later be adjusted according to a schedule revised after consideration of a proposal shortly to be issued. Limited quantities of unfinished oils may be imported under allocations made pursuant to section 10 or 11. A quantity of imports of crude oil, unfinished oils, and finished products is made available to the Oil Import Appeals Board by an amendment of section 21. The definition of "refinery inputs" in section 22 is amended to correspond to a change made by amendatory Proclamation 4025, and the definition of "residual fuel oil" is amended to correspond to the change made by amendatory Proclamation 4018 (35 F.R. 16357). Section 30 is amended to provide, for the allocation period January 1, 1971, through December 31, 1971, allocations of imports of No. 2 fuel oil into District I. Except for the elimination of "historical allocations" required by amendatory Proclamation 4025, this Amendment 26 makes no major changes in the system of allocating imports of crude oil and unfinished oils to refiners or of allocating imports of No. 2 fuel oil into District I. A new allocation period begins January 1, 1971. The formulation of orderly programs of importation, including those involving exchanges of oil, depend upon the making of allocations and the issuance of licenses thereunder. Further, provision should promptly be made for the relief of any cases of exceptional hardship which may arise. In the circumstances, the public interest would not be served either by giving notice of proposed rulemaking or by delaying the effective date of this amendment. Accordingly, this Amendment 26 shall become effective immediately.

Pending a decision on the proposed amendment to section 7 which appeared in the FEDERAL REGISTER for November 28, 1970 (35 F.R. 18209), the Administrator, Oil Import Administration, is directed to issue, under each allocation which is made pursuant to section 10 or 11 and which is in excess of 1,300,000 barrels, a license in the amount of 1,300,000 barrels or 35 percent of the allocation, whichever amount is the greater. If such an allocation does not exceed 1,300,000 barrels, a license shall be issued in the full amount of the allocation.

Oil Import Regulation 1 (Rev. 5) is amended as set forth below.

FRED J. RUSSELL,
Under Secretary of the Interior.

DECEMBER 31, 1970.

I Concur: December 31, 1970.

HAAKON LINDJORD,
Acting Director,
Office of Emergency Preparedness.

1. Paragraphs (c) and (d) of section 4—Eligibility for Allocations—of Oil Import Regulation 1 (Rev. 5), as amended (31 F.R. 7746) are revoked.

2. Section 10 of Oil Import Regulation 1 (Rev. 5) as amended (34 F.R. 19975) is amended to read as follows:

Sec. 10 Allocations; refiners; Districts I–IV.

(a) For the allocation period January 1, 1971, through December 31, 1971, the Administrator shall allocate, as provided in paragraph (b) of this section, approximately 600,000 b/d of imports of crude oil into Districts I–IV among eligible persons having refinery capacity in these districts.

(b) Each eligible applicant shall receive an allocation of imports of crude oil based on refinery inputs for the year ending September 30, 1970, and computed according to the following schedule:

Average b/d Input		Percent of Input		No. of Days
0–10,000	(×)	20.0	(×)	365
10–30,000		12.0		
30–100,000		7.0		
100,000 plus		3.5		

However, each such allocation shall be reduced by the amount of any licenses issued to the applicant under an interim allocation for the allocation period.

(c) Under an allocation made pursuant to paragraph (b) of this section, unfinished oils may be imported, but imports of such oils shall not exceed 15 percent of the allocation.

(d) No allocation made pursuant to this section may be sold, assigned, or otherwise transferred, and except as this regulation may provide otherwise, no license issued under such an allocation shall permit the importation of Canadian imports as defined in section 1A of Proclamation 3279 as amended.

3. Section 11 of Oil Import Regulation I (Rev. 5) as amended (34 F.R. 19976) is amended to read as follows:

Sec. 11 Allocations; refiners; District V.

(a) For the allocation period January 1, 1971, through December 31, 1971, the Administrator shall make tentative allocations, as provided in paragraph (b) of this section, of imports of crude oil into District V among eligible persons having refinery capacity in that district. The schedule set forth in paragraph (b) of this section will be revised, and such tentative allocations will be adjusted in accordance with the revised schedule.

(b) Each eligible applicant shall receive a tentative allocation of imports of crude oil based on refinery inputs for the year ending September 30, 1970, and computed according to the following schedule:

Average b/d Input		Percent of Input		No. of Days
0–10,000	(×)	40.0	(×)	365
10–30,000		9.3		
30–100,000		4.3		
100,000 plus		1.9		

However, each such allocation shall be reduced by the amount of any licenses issued to the applicant under an interim allocation for the allocation period.

(c) Under an allocation made pursuant to paragraph (b) of this section, unfinished oils may be imported, but imports of such oils shall not exceed 25 percent of the allocation.

(d) No allocation made pursuant to this section may be sold, assigned, or otherwise transferred.

4. Clause (1) of paragraph (a) of section 12—Eligibility for and allocations of residual fuel oil to be used as fuel—District I—of Oil Import Regulation 1 (Rev. 5), as amended (32 F.R. 1175) is revoked.

5. Section 13 of Oil Import Regulation 1 (Rev. 5), as amended (34 F.R. 19976) is amended to read as follows:

Sec. 13 Finished products.

(a) For the allocation period January 1, 1971, through December 31, 1971, there is allocated to the Department of Defense 20,000 b/d of imports of finished products into Districts I–IV and 7,500 b/d of imports of finished products into District V. For the same allocation period, 15,000 b/d of finished products have been allocated pursuant to subparagraph (4) of paragraph (b) of section 3 of Proclamation 3279, as amended.

(b) No allocation made pursuant to this section may be sold, assigned, or otherwise transferred.

6. A new paragraph (e), reading as follows, is added to section 21 of Oil Import Regulation 1 (Rev. 5) as amended 35 F.R. 163, 12759, 16976):

(e) For the allocation period January 1, 1971, through December 31, 1971, 45,000 b/d of imports into Districts I–IV of crude oil and unfinished oils (including Canadian imports as defined in section 1A of Proclamation 3279, as amended) and finished products and 4,000 b/d of imports into District V of crude oil, unfinished oils, and finished products are made available to the Oil Import Appeals Board.

7. Subparagraph (7) of paragraph (g) of section 22 of Oil Import Regulation 1 (Rev. 5) as amended (32 F.R. 11382) is amended to read as follows:

(7) residual fuel oil—(i) Topped crude oil or viscous residuum which has a viscosity of not less than 45 seconds Saybolt universal 100° F. and (ii) crude oil which is to be used as fuel without further processing other than by blending by mechanical means.

8. Paragraph (k) of section 22 of Oil Import Regulation 1 (Rev. 5) as amended (33 F.R. 8449) is amended to read as follows:

(k) "Refinery inputs" means feedstocks charged to "refinery capacity";

(1) And include only—

(i) Crude oil;

(ii) Unfinished oils imported pursuant to an allocation, and

(iii) Unfinished natural gas products

(2) but do not include inputs of crude oil or unfinished oils imported pursuant to paragraph (e), (f), or (h) of section 1A of Proclamation 3279, as amended, or, with respect to refinery inputs in District V, inputs of crude oil or unfinished

oils imported pursuant to clause (4) of paragraph (a) of section 1 of Proclamation 3279, as amended.

9. Section 30 of Oil Import Regulation 1 (Rev. 5) (35 F.R. 12759) is amended to read as follows:

Sec. 30 Allocations of No. 2 Fuel Oil—District I.

(a) For the purposes of this section:

(1) The term "No. 2 fuel oil" means a finished product which has the following physical and chemical characteristics:

Closed cup flash point °F..	Minimum 100.
Pour point °F.	Maximum 20.
Water and sediment, percent.	Maximum 0.10.
Carbon residue on 10 percent residuum percent.	Maximum 0.35.
Distillation temperature °F.	Maximum 675.
90 percent point.	Minimum 540.
Viscosity, Saybolt Universal Seconds at 100° F.	Maximum 40.0.
	Minimum 33.0.
Gravity A.P.I.	Minimum 30.0.

(2) The term "Western Hemisphere" means North America, Central America, South America, and the West Indies.

(3) The term "deep water terminal" means a permanent land installation which:

(i) Consists of bulk storage tanks having not less than 100,000 barrels of operational capacity, pumps and pipelines used for storage, transfer and handling of No. 2 fuel oil;

(ii) Is on waterways that permit the safe passage to the installation of a tanker rated 15,000 cargo deadweight tons, drawing not less than 25 feet of water; and

(iii) Has a berth that will permit the delivery of No. 2 fuel oil into the installation by direct connection from a tanker rated at 15,000 cargo deadweight tons, drawing not less than 25 feet of water, and moored in the berth. Cargo deadweight tons represent the carrying capacity of a tanker, in tons of 2,240 pounds, less the weight of fuel, water, stores, and other items necessary for use on a voyage.

(4) The term "throughput agreement" means a written agreement which provides for the delivery to a deep water terminal by a person of No. 2 fuel oil which he owns at the time of delivery to the terminal and for a right in such person to withdraw on call an identical quantity of such oil from the terminal. Any transaction between persons involving sales, purchases, or exchanges of No. 2 fuel oil which were designed to gain allocation benefits for a person who would not otherwise be eligible shall not be deemed to constitute a throughput agreement.

(b) For the period July 1, 1971, through December 31, 1971, 40,000 b/d of imports of No. 2 fuel oil which is manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere are available for allocation in District I to eligible persons having qualified terminal inputs of No. 2 fuel oil in this district.

(c) (1) Except as provided in subparagraph (2) of this paragraph, a person shall be eligible for an allocation of imports into District I of No. 2 fuel oil under paragraph (e) of this section:

(i) If he is in the business in District I of selling No. 2 fuel oil and has under his management and operational control a deep water terminal which is located in District I and in which No. 2 fuel oil is handled, or

(ii) If he is in the business in District I of selling No. 2 fuel oil and has a throughput agreement with a deep water terminal operator in District I who does not have a crude oil import allocation in Districts I–IV.

(2) No person who has an allocation of imports into Districts I–IV of crude oil under sections 9, 10, or 25 of this regulation shall be eligible for an allocation under paragraph (e) of this section.

(d) A person seeking an allocation under paragraph (e) of this section must file an application with the Administrator on such form as he may prescribe no later than fifteen (15) days after the publication of this section in the FEDERAL REGISTER. The application shall disclose such information as the Administrator may deem necessary in such detail as he may require.

(e) (1) For the period January 1, 1971, through December 31, 1971, each eligible applicant under this section shall receive an allocation of imports into District I of No. 2 fuel oil which has been manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere computed according to the following formula:

$$\frac{\text{Applicant's qualified terminal inputs—average b/d for the period Oct. 1, 1969, through Sept. 30, 1970}}{\text{Average b/d of all qualified terminal inputs for the period Oct. 1, 1969, through Sept. 30, 1970}} \times 40{,}000 \text{ average b/d of No. 2 fuel oil}$$

However, each such allocation shall be reduced by the amount of any licenses issued to the applicant under an interim allocation for the allocation period.

(2) Under each allocation made pursuant to this paragraph (e) the Administrator shall issue a license which shall limit importations after midnight March 31, 1971, to 50 percent of that allocation. Upon a showing that such a limitation will prevent a person from importing in full tanker cargoes or for other good cause shown the Administrator may, upon written petition, adjust the percentum which such person may import after March 31, 1971, to such a degree as in the opinion of the Administrator is necessary to afford the petitioner a reasonable measure of relief.

(f) (1) An eligible applicant may count as qualified terminal inputs quantities of No. 2 fuel oil:

(i) delivered during the 12-month period ending September 30, 1970, into a deep water terminal in District I which was under his management and operational control or into a deep water terminal with which the eligible applicant had a throughput agreement before the oil was delivered, if he owned the oil when it was placed in the terminal and if the delivery constituted the first delivery of that oil to a deep water terminal in District I; or

(ii) which the applicant owned, sold to a Federal agency or to any agency of a State or a political subdivision of a State, and delivered during the 12-month period ending September 30, 1970, to a deep water terminal in District I for the account of such agency, providing such delivery constituted the first delivery of that oil to a deep water terminal in District I; or

(iii) which was delivered to applicant's deep water terminal in District I as a first delivery into a deep water terminal in District I under a written agreement to purchase such oil and to which, pursuant to such agreement, the applicant took title during the 12-month period ending September 30, 1970, upon withdrawal by him from the terminal.

(2) For the purpose of this paragraph (f), storage of No. 2 fuel oil at a refinery in which the oil was produced or delivery of No. 2 fuel oil into a deep water terminal under the management and operational control of a person who has an allocation of imports of crude oil into Districts I–IV shall not be deemed to be a first delivery to a deep water terminal in District I.

(g) No allocation made pursuant to this section may be sold, assigned, or otherwise transferred. Licenses issued under allocations made pursuant to this section shall permit the importation only of No. 2 fuel oil which is manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere. No. 2 fuel oil imported under an allocation made pursuant to this section shall be sold for use as fuel in District I.

[F.R. Doc. 70–17659; Filed, Dec. 31, 1970; 1:18 p.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 208—FLOOD CONTROL REGULATIONS

Bully Creek, Agency Valley, and Warm Springs Dams and Reservoirs, Malheur River Basin, Malheur and Harney Counties, Oreg.

Pursuant to the provisions of section 7 of the Act of Congress approved December 22, 1944 (58 Stat. 890; 33 U.S.C. 709) the following § 208.93 is hereby prescribed to govern the use and operation

of Bully Creek, Agency Valley, and Warm Springs Dams and Reservoirs in the Malheur River Basin, Oregon, for flood control purposes.

§ 208.93 Bully Creek, Agency Valley, and Warm Springs Dams and Reservoirs, Malheur River Basin, Oregon.

The Bureau of Reclamation, acting through the Vale, Oregon Irrigation District, shall operate Bully Creek, Agency Valley, and Warm Springs Dams and Reservoirs in the interest of flood control, as follows:

(a) Storage space up to 30,000 acre-feet between elevations 2456.6 feet and 2516.0 feet in Bully Creek Reservoir, up to 60,000 acre-feet between elevations 3263.2 feet and 3340.0 feet in Agency Valley Reservoir, and up to 95,500 acre-feet between elevations 3381.5 feet and 3406.0 feet in Warm Springs Reservoir will be kept available for flood purposes on a seasonal basis in accordance with the Flood Control Regulations Schedule currently in force.

(b) Releases from Bully Creek, Agency Valley, and Warm Springs Reservoirs shall be regulated primarily to control flows in the Malheur River downstream from Vale, Oregon, to not exceed its bankfull capacity presently estimated as 8,000 cubic feet per second, insofar as such control can be accomplished using the effective storage capacity of the three reservoirs.

(c) The Flood Control Regulations of this Section are subject to temporary modification by the District Engineer, Corps of Engineers, if found necessary in time of emergency. Requests for and action on such modification may be made by any available means of communication, and the action taken by the District Engineer shall be confirmed in writing under date of the same day to the office of the Regional Director of the Bureau of Reclamation in charge of the locality.

(d) The Flood Control Regulation Schedule currently in force for Bully Creek, Agency Valley, and Warm Springs Reservoirs as of the promulgation of this section is dated November 9, 1970, file No. MH-V-20-1/1, and is on file in the Office, Chief of Engineers, Department of the Army, Washington, D.C., and in the office of the Commissioner, Bureau of Reclamation, Washington, D.C. Revisions of the Flood Control Regulation Schedule for the above-named reservoirs may be developed as necessary by the Corps of Engineers and the Bureau of Reclamation. Each revision shall be effective upon the date specified in the approval thereof by the Chief of Engineers and the Commissioner of Reclamation, and from that date until replaced shall be considered as currently in force for purposes of this Section. Copies of the Flood Control Regulation Schedule currently in force shall be kept on file in, and may be obtained from, the office of the District Engineer, Corps of Engineers and the Regional Director, Bureau of Reclamation, in charge of the locality.

(e) Nothing in the regulations in this section shall be construed to require dangerously rapid changes in magnitude of water releases, or that releases be made at rates or in a manner that would be inconsistent with requirements for protecting the dams and the reservoirs from major damage or inconsistent with safe routing of the inflow design flood.

(f) The Bureau of Reclamation shall procure current basic hydrological data, make determinations of required flood control space reservations from the Flood Control Regulation Schedule currently in force, and make calculations of permissible releases from the reservoirs as are required to accomplish the flood control objectives prescribed in this Section.

(g) The Bureau of Reclamation shall keep the District Engineer, Corps of Engineers, currently advised of hydrological data and operating criteria which affect the schedule of operation. Details of the hydrologic reporting network and operating criteria are described in "Report on Reservoir Regulations for Flood Control, Malheur River Reservoirs."

[Regs., Dec. 2, 1970, ENGCW-EY] (Sec. 7, 58 Stat. 890; 33 U.S.C. 709)

For the Adjutant General.

LEONARD S. LEE,
Colonel, AGC,
Comptroller, TAGO.

[F.R. Doc. 71-66; Filed, Jan. 4, 1971; 8:48 a.m.]

Title 36—PARKS, FORESTS, AND MEMORIALS

Chapter I—National Park Service, Department of the Interior

PART 7—SPECIAL REGULATIONS, AREAS OF THE NATIONAL PARK SYSTEM

Fire Island National Seashore; Vehicular Use

At page 1168 of the FEDERAL REGISTER of January 29, 1970, a notice and text of a proposed amendment to § 7.20, Chapter I, Title 36 CFR was published. The effect of this amendment requires that applicants first obtain village beach buggy permits under certain conditions before seashore permits are issued. The standard hourly restrictions are generally applied to travel by public beach taxis on seashore lands throughout the area, and the use of personal beach vehicles to reach beach houses is ruled out in the summer months when water transportation is available. One subparagraph of the present regulation is entirely eliminated.

Interested persons were given 30 days in which they could submit written comments, suggestions, or objections to the proposed amendment. An overwhelming number of the comments received were from persons and organizations which supported part of the proposed amendments. A substantial portion of those in objection misread the purpose of amendment and so addressed their remarks to parts of the existing regulations which were unaffected by this proposal. To the extent that the comments and suggestions were appropriate and consistent with the purposes of the seashore as defined in the act authorizing its establishment, they are reflected in the regulations which are set forth below. These amendments shall take effect 30 days following the date of publication in the FEDERAL REGISTER.

Section 7.20 of Chapter I, Title 36 of the Code of Federal Regulations is amended as follows:

§ 7.20 Fire Island National Seashore.

(a) *Operation of motor vehicles.* * * *

(2) *Permits.* * * *

(vii) No permit will be issued by the Superintendent for any motor vehicle until the applicant has first secured from the towns of Brookhaven and/or Islip (and if required from the village of Ocean Beach or Saltaire also) an appropriate permit covering the same activity, vehicular use, and area of use for which a seashore permit is requested.

(3) *Authorized and prohibited travel.* * * *

(vi) Travel on seashore lands by motor vehicles for hire is permitted between Robert Moses State Park and the westerly boundary of Cherry Grove subject to the times of travel provided for in subdivision (i) of this subparagraph. Travel on seashore lands by such vehicles between the westerly boundary of Cherry Grove and the easterly boundary of Ocean Ridge is permitted from May 15 through November 10, inclusive; daily at any hour, but not 9 a.m. to 6 p.m. Saturdays and Sundays, except that, such vehicles may be used by householders between Davis Park and Barrett Beach while traveling to their homes daily at any hour. Use by such vehicles between the easterly boundary of Ocean Ridge and the westerly boundary of Smith Point County Park shall be limited to providing service to persons residing therein in the exercise of their prior existing rights of ingress and egress.

(vii) Travel on seashore lands by all other vehicles is prohibited from May 15 through September 14 inclusive except under prior existing rights of ingress and egress. However, during the period of September 15 through May 14 such vehicles may, for recreational purposes, travel over seashore lands at any time on the beach along the Atlantic Ocean between Smith Point County Park and Long Cove. No such vehicle may travel farther inland from the ocean than the base of the dunes.

(viii) [Deleted]

* * * * *

THOMAS NORRIS, Jr.,
Assistant Superintendent,
Fire Island National Seashore.

[F.R. Doc. 71-27; Filed, Jan. 4, 1971; 8:46 a.m.]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 3—Department of Health, Education, and Welfare

MISCELLANEOUS AMENDMENTS TO CHAPTER

Chapter 3 is amended as follows:

PART 3–1—GENERAL

1. In § 3–1.107-2, paragraph (b) is revised to read as follows:

§ 3–1.107–2 Numbering.

* * * * *

(b) Material issued by operating agencies and staff offices of HEW to implement and supplement the HEWPR will be identified by prefixes to the digit 3 part, subpart, section, and subsection. The following are the assigned prefixes:

Organization	*Prefix*
HEW	(None)
Office of the Secretary	OS
Office of Field Coordination	OFC
Facilities Engineering and Construction Agency	FEC
Individual Regional Office	(Roman No.)
Environmental Health Service	EHS
Food and Drug Administration	FDA
Office of Education	OE
Health Services and Mental Health Administration	HSM
National Institutes of Health	NIH
Social and Rehabilitation Service	SSA
Social Security Administration	SRS

2. Section 3–1.108–2 is revised to read as follows:

§ 3–1.108–2 Procedure.

In the interest of establishing and maintaining uniformity to the greatest extent feasible, deviations from either the FPR or HEWPR shall be kept to a minimum and controlled as follows:

(a) When a change is considered necessary to a prescribed contract clause, request for approval shall be submitted in the manner set forth in § 3–16.5003 of this chapter.

(b) With the exception of paragraph (a) of this section, the head of each operating agency and staff office or the official he has designated to act for him in authorizing a deviation from procurement regulations shall authorize a deviation from the FPR or HEWPR only after he obtains the Assistant Secretary for Administration's approval. Deviation requests are to be submitted to the Assistant Secretary through the Director, Division of Procurement and Materiel Management, OASA–OGS.

(c) When an agency or staff office determines that a deviation is needed, it shall normally request the deviation in writing as far as possible in advance of need. In an exigency, an agency or staff office may request a deviation verbally, to be confirmed in writing as soon as circumstances permit.

(d) A deviation request shall set forth clearly and precisely:

(1) Nature of the needed deviation;

(2) Identification of the FPR or HEWPR from which the deviation is needed;

(3) Circumstances under which the deviation would be used;

(4) Intended effect of the deviation;

(5) Time-frame; and

(6) Reasons which will contribute to complete understanding and support of the requested deviation. Copies of pertinent background papers such as forms, or contractor's request, should accompany the deviation request.

(e) Where deviations from the FPR in classes of cases are considered necessary, requests for authority to deviate shall be submitted through administrative channels to the Director, Division of Procurement and Materiel Management, OASA–OGS, who will consider the submission jointly with the General Services Administration (GSA). Where compelling circumstances preclude the obtaining of prior concurrence of GSA, the Director of General Services, OS, may authorize a deviation and shall inform GSA of the deviation including the circumstances under which it was required.

3. Section 3–1.401 is added to read as follows:

§ 3–1.401 Responsibility of the head of the procuring activity.

The head of the procuring activity (see § 3–75.101 of this chapter) is responsible for the conduct of an effective and efficient procurement program. Adequate controls shall be established to assure compliance with applicable laws, regulations, procedures, and the dictates of good management practices. Periodic reviews shall be conducted and evaluated by qualified personnel, preferably assigned to positions other than in the procurement activity being reviewed, to determine the extent of adherence to prescribed policies and regulations, and to detect a need for guidance and/or training. The Procurement and Materiel Checklist, Form HEW–552, available through normal distribution channels, shall be used to assist in conducting such reviews.

(5 U.S.C. 301; 40 U.S.C. 486(c))

PART 3–7—CONTRACT CLAUSES

4. Section 3–7.5005 is revised to read as follows:

§ 3–7.5005 HEW Contract Financial Report.

(a) When financial information on Form HEW 515–4/69, Contract Financial Report, is required by paragraph 3–60–40G, DHEW Accounting Manual, insert the clause set forth below. Use appropriate word to specify monthly or quarterly reporting.

HEW CONTRACT FINANCIAL REPORT

Financial reports on Form HEW 515–4/69 shall be submitted by the contractor in accordance with the instructions on the reverse of the form, and in an original and two copies not later than the 15th of the following (month, quarter). The line entries for subdivisions of work and elements of cost (types of expense) to be reported within the total contract shall be determined by the Contracting Officer after giving consideration to the recommendations of the Contractor. Subsequent changes and/or additions in the line entries shall be similarly determined. The contracting officer shall notify the contractor of each change and addition and the reporting period to which each shall apply. Financial reporting shall commence with a report for the first calendar (month, quarter) following the date of this contract.

(b) Form HEW 515–4/69 and Form HEW 515A, Procedures for Reporting Financial Information by Contractors, may be requisitioned through normal distribution channels.

(5 U.S.C. 301, 40 U.S.C. 486(c))

PART 3–16—PROCUREMENT FORMS

5. Part 3–16 is added to read as follows:

Subpart 3–16.2—Forms for Negotiated Supply Contracts

Subpart 3–16.50—Forms for Negotiated Procurements

AUTHORITY: The provisions of this Part 3–16 issued under 5 U.S.C. 301; 40 U.S.C. 486(c).

Subpart 3–16.2—Forms for Negotiated Supply Contracts

§ 3–16.202 Contract forms.

§ 3–16.202–1 General.

Forms prescribed for negotiated procurements by this Department are set forth in Subpart 3–16.50.

Subpart 3–16.50—Forms for Negotiated Procurements

§ 3–16.5000 Scope of subpart.

(a) This subpart prescribes forms to be used in procuring:

(1) Supplies, equipment, and services by negotiation when authorized under Subpart 1–3.2 of this title;

(2) For experimental, developmental or research work and related services and property; and

(3) For the conduct of studies or surveys.

(b) Excluded from the scope of this subpart are:

(1) Purchases that do not exceed $2,500—small purchases (see Subparts 1–3.6 of this title and 3–3.6 of this chapter);

(2) Contracts for the construction, alteration, or repair of buildings, bridges, roads, or other real property (see Subpart 1–16.4 of this title) or the leasing of real property (see Subpart 1–16.6 of this title); and

(3) Negotiated fixed-price supply contracts for which Standard Form 26, Award/Contract, or Standard Form 33, Solicitation, Offer, and Award, are used pursuant to § 1–16.202–1 of this title.

§ 3–16.5001 Standardized request for proposal (RFP) format and checklist for solicitation documents. [Reserved]

§ 3–16.5002 Contract forms.

§ 3–16.5002–1 Negotiated Contract (Form HEW–554).

Negotiated Contract, Form HEW–554, is the cover page of the contract and must be executed to reflect mutual agreement by the contracting parties.

§ 3–16.5002–2 Contents of Contract (Form HEW–555).

Contents of Contract, Form HEW–555, shall be used to list the contents of the contract including applicable "Special Provisions" by article number and name, and "General Provisions" (Forms HEW–313, 314, 315, 316, or others) which are appropriate to the type of contract consumated.

§ 3–16.5002–3 Special Provisions (Form HEW–556).

Each contract shall include a section headed "Special Provisions" (Form HEW–556 is optional for this purpose) to describe the scope of work, schedulings, special terms, conditions, and additions, modification, and substitutions, to General Provisions, if any, as authorized by § 3–16.5003.

§ 3–16.5002–4 General Provisions.

The appropriate General Provisions set forth in this § 3–16.5002–4 shall be incorporated by the contracting officer in all contracts to which this Subpart 3–16.50 applies.

(a) Form HEW–313 (Rev. 8/64), General Provisions (Negotiated Fixed-Price Contract With Non-Profit Organizations).

(b) Form HEW–314 (Rev. 8/64), General Provisions (Negotiated Fixed-Price Contract With Profit Making Organization).

(c) Form HEW–315 (Rev. 8/64), General Provisions (Negotiated Cost-Reimbursement Contract).

(d) Form HEW–316 (Rev. 8/64), General Provisions (Negotiated Cost-Plus-A-Fixed-Fee Contract).

§ 3–16.5002–5 Standard Form 30, Amendment of Solicitation/Modification of Contract.

Modifications of existing contracts shall be accomplished by the use of change orders and/or supplemental agreements. Standard Form 30, Amendment of Solicitation/Modification of Contract, may be used for these purposes (see § 1–16.901–30 of this title for illustration of form).

§ 3–16.5003 Additions, modifications, and substitutions to General Provisions.

(a) Contracting officers shall include additional clauses or substitute alternate clauses for those included in the four General Provisions (Forms HEW–313–316) in accordance with applicable instructions in this § 3–16.5003 and the FPR. No other changes shall be made in the General Provisions without the prior approval of the Office of General Counsel, OS (BAL). Written requests shall be submitted through procurement channels directly to the Office of General Counsel (OGC–BAL), with a copy to the Director, Division of Procurement and Materiel Management (DPMM–OGS), OASA–OGS. The approval shall be transmitted by OGC–BAL through procurement channels to the contracting officer with a copy to DPMM–OGS. In the event expeditious action is required, contracting officers are authorized to request oral or written approval directly from OGC–BAL. If oral approval is received from OGC–BAL, contracting officers must, however, submit a confirming letter of approval to DPMM–OGS–OASA.

(1) The "Small Business Subcontracting Program" clause set forth in § 1–1.710–3(b) of this title shall be included in all contracts under the circumstances set forth in that section.

(2) The "Labor Surplus Area Subcontracting Program" clause set forth in § 1–1.805–3(b) of this title shall be included in all contracts under circumstances set forth in that section.

(3) The following "Patent Indemnity" clause shall be used in contracts exceeding $5,000 which call for the delivery of supplies (or supplies with relatively minor modifications made thereto) which normally are or have been sold to the public in the commercial open market:

PATENT INDEMNITY

The Contractor agrees to indemnify the Government and its officers, agents, and employees against liability, including costs, for infringements of any United States letters patent (except letters patent issued upon an application which is now or may hereafter be kept secret or otherwise withheld from issue by order of the Government) arising out of the performance of this contract, or out of the use of or disposal by or for the account of the Government, of supplies furnished hereunder. The foregoing indemnity shall not apply unless the Contractor shall have been informed as soon as practicable by the Government of the suit or action alleging such infringement, and shall have been given such opportunity as is afforded by applicable laws, rules, or regulations to participate in the defense thereof; and further, such indemnity shall not apply if: (i) The infringement results from compliance with specific written instructions of the Contracting Officer directing a change in the supplies to be delivered or in the materials or equipment to be used; or (ii) the infringement results from addition to, or change in, such supplies or components furnished which addition or change was made subsequent to delivery or performance by the Contractor; or (iii) the claimed infringement is settled without the consent of the Contractor, unless required by final decree or a court of competent jurisdiction.

(For the purpose of excluding from patent indemnification such items as normally are not or have not been sold or offered for sale by any supplier to the public in the commercial open market, the following sentence may be added to the end of the clause:

"The foregoing shall not apply to the following items: (list the items to be excluded).")

(4) Where the primary objective of the contract is the delivery of end items other than designs, drawings, or reports, the following "Inspection" clause shall be used in lieu of the "Inspection" clause in HEW Forms 313 and 314, unless the contracting officer determines that the use of such clause is impracticable:

INSPECTION

(a) All work under this contract shall be subject to inspection and test by the Government, to the extent practicable, at all times (including the period of performance) and places, and in any event prior to acceptance. The Government through any authorized representative may inspect the premises of the Contractor or any subcontractor engaged in the performance of this contract.

(b) The Government may reject any work that is defective or otherwise not in conformity with the requiremnts of this contract. If the Contractor fails or is unable to correct or to replace such work, the Contracting Officer may accept such work at a reduction in price which is equitable under the circumstances. Failure to agree on the reduction in price shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(c) If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor shall provide, without additional charge, all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. If the Government inspection or test is made at a point other than the premises of the Contractor or subcontractor, it shall be at the expense of the Government. All inspections and tests by the Government shall be performed in such a manner as not unduly to delay the work. Final inspection and acceptance or rejection of the work shall be made as promptly as practicable after delivery except as otherwise provided in this contract; but failure to inspect and accept, or reject the work shall neither relieve the Contractor from responsibility for such of the work as is not in accordance with the contract requirements nor impose liability on the Government therefor.

(d) The inspection and test by the Government of any work shall not relieve the Contractor from any responsibility regarding defects or other failures to meet the contract requirements which may be discovered prior to acceptance. Except as otherwise provided in this contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.

(e) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the work hereunder. Records of all inspection work by the Contractor shall be kept complete and available to the Government during the performance of this contract and for such longer period as may be specified elsewhere in this contract.

(5) Where the primary objective of the contract is the delivery of end items other than designs, drawings, or reports, the following "Inspection and Correction of Defects" clause shall be used in

lieu of the "Inspection" clause in HEW Form 316 unless the contracting officer determines that the use of such clause is impracticable:

INSPECTION AND CORRECTION OF DEFECTS

(a) All work under this contract shall be subject to inspection and test by the Government (to the extent practicable) at all times (including the period of performance) and places, and in any event prior to acceptance. The Contractor shall provide and maintain an inspection system acceptable to the Government covering the work hereunder. The Government, through any authorized representative, may inspect the plant or plants of the Contractor or of any of his subcontractors engaged in the performance of this contract. If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor shall provide and shall require subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. All inspections and tests by the Government shall be performed in such a manner as will not unduly delay the work. Except as otherwise provided in this contract, final inspection and acceptance shall be made at the place of delivery as promptly as practicable after delivery and shall be deemed to have been made no later than ninety (90) days after the date of such delivery, if acceptance has not been made earlier within such period.

(b) At any time during performance of this contract, but not later than six (6) months (or such other time as may be provided in the contract) after acceptance of all of the end items (other than designs, drawings, or reports) to be delivered under this contract, the Government may require the Contractor to remedy by correction or replacement, as directed by the Contracting Officer, any failure by the Contractor to comply with the requirements of this contract. Any time devoted to such correction or replacement shall not be included in the computation of the period of time specified in the preceding sentence, except as provided in (d) below. Except as otherwise provided in paragraph (c) below, the allowability of the cost of any such replacement or correction shall be determined as provided in the clause of this contract entitled "Allowable Cost, Fixed Fee, and Payment," but no additional fee shall be payable with respect thereto. Corrected articles shall not be tendered again for acceptance unless the former tender and the requirement of correction is disclosed. If the Contractor fails to proceed with reasonable promptness to perform such replacement or correction, the Government (i) may by contract or otherwise perform such replacement or correction and charge to the Contractor any increased cost occasioned the Government thereby, or may reduce any fixed fee payable under the contract (or require repayment of any fixed fee theretofore paid) in such amount as may be equitable under the circumstances; or (ii) in the case of articles not delivered, may require the delivery of such articles, and shall have the right to reduce any fixed fee payable under this contract (or to require repayment of any fixed fee theretofore paid) in such amount as may be equitable under the circumstances; or (iii) may terminate this contract for default. Failure to agree to the amount of any such increased cost to be charged to the Contractor or to such reduction in, or repayment of, the fixed fee shall be deemed to be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(c) Notwithstanding the provisions of paragraph (b) above, the Government may at any time require the Contractor to remedy by correction or replacement, without cost to the Government, any failure by the Contractor to comply with the requirements of this contract, if such failure is due to fraud, lack of good faith or willful misconduct on the part of any of the Contractor's directors or officers, or on the part of any of his managers, superintendents, or other equivalent representatives, who has supervision or direction of (i) all or substantially all of the Contractor's business, or (ii) all or substantially all of the Contractor's operations at any one plant or separate location in which this contract is being performed, or (iii) a separate and complete major industrial operation in connection with the performance of this contract. The Government may at any time also require the Contractor to remedy by correction or replacement, without cost to the Government, any such failure caused by one or more individual employees selected or retained by the Contractor after any such supervisory personnel has reasonable grounds to believe that any such employee is habitually careless or otherwise unqualified.

(d) The provisions of paragraph (b) above shall apply to any corrected or replacement end item or component until 6 months after its acceptance.

(e) The Contractor shall make his records of all inspection work available to the Government during the performance of this contract and for such longer period as may be specified in this contract.

(f) Except as provided in this clause and as may be provided in the contract, the Contractor shall have no obligation or liability to correct or replace articles which at the time of delivery are defective in material or workmanship or otherwise not in conformity with the requirements of this contract.

(g) Except as otherwise provided in the contract, the Contractor's obligation to correct or replace Government-furnished property (which is property in the possession of or acquired directly by the Government and delivered or otherwise made available to the Contractor) shall be governed by the provisions of the clause of this contract entitled "Government Property."

(6) Where the primary objective of the contract is the delivery of end items other than designs, drawings, or reports, the "Inspection and Correction of Defects" clause set forth in subparagraph (5) of this paragraph shall be used in lieu of the "Inspection" clause in HEW Form 315, unless the contracting officer determines that the use of such clause is impracticable, except that the following paragraph (b) shall be used in lieu of paragraph (b) of the clause set forth in subparagraph (5) of this paragraph:

(b) At any time during performance of this contract but not later than six (6) months (or such other period as may be provided in the contract) after acceptance of all of the end items (other than designs, drawings, or reports) to be delivered under this contract, the Government may require the Contractor to remedy by correction or replacement, as directed by the Contracting Officer, any failure by the Contractor to comply with the requirements of this contract. Any time devoted to such correction or replacement shall not be included in the computation of the period of time specified in the preceding sentence except as provided in (d) below. Except as provided in paragraph (c) below, the allowability of the cost of any such replacement or correction shall be as provided in the clause of this contract entitled "Allowable Cost and Payment." Corrected articles shall not be tendered again for acceptance unless the former tender and the requirement of correction is disclosed. If the Contractor fails to proceed with reasonable promptness to perform such replacement or correction, the Government (i) may by contract or otherwise perform such replacement or correction and charge to the Contractor any increased cost occasioned the Government thereby; or (ii) in the case of articles not delivered, may require the delivery of such articles; or (iii) may terminate this contract for default. Failure to agree to the amount of any such increased cost to be charged to the Contractor shall be deemed to be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes".

(7) Paragraph (h) of the "Rights in Data" clause may be included whenever the project officer or appropriate program official determines that information resulting from contract performance should not be published or disseminated without prior approval of the project officer. If paragraph (h) is included, the contracting officer shall, prior to execution of the contract, apprise the responsible academic official of the limitations on the institution's right to publish or disseminate information resulting from work performed under the contract.

(8) [Reserved]

(9) The "Federal, State and Local Taxes" clause in Forms HEW–313 and –314 shall be used under the circumstances set forth in § 1–11.401–1 of this title. The clause set forth in § 1–11.401–2 of this title shall be used under the circumstances set forth in that section in lieu of the clause in Forms HEW–313 and –314. The Supplementary clause set forth in § 1–11.401–3(a) of this title shall be added when the contract will be performed in whole or in part in a possession of the United States or in Puerto Rico.

(10) Contracts providing for advance payments shall include the clause set forth in § 1–30.414–2 of this title, except that variations in the clause may be made where necessary in the circumstances described in § 1–30.414 of this title.

(11) Contracts providing for progress payments based on a percentage of the total costs shall include the clause set forth in § 1–30.510–1(a) of this title, except that the clause set forth in § 1–30.510–1(b) of this title may be used if the estimated cost of the procurement will not exceed $100,000. Contracts providing for progress payments based on a percentage of direct labor and materials cost shall include the clause set forth in § 1–30.510–2(a) of this title except that the clause set forth in § 1–30.510–2(b) of this title may be used if the estimated cost of the procurement will not exceed $100,000.

(12) Where certificate of cost or pricing data is required in accordance with § 1–3.807–3(b) of this title the applicable "Price Reduction for Defective Cost or Pricing Data" clause set forth in § 1–3.814–1 of this title shall be included in the contract, and the appropriate clauses set forth in §§ 1–3.814–2 and 1–3.814–3 of this title shall be used if required by those sections.

(13) [Reserved]

(14) [Reserved]

(15) The Equal Opportunity Clause contained in Form HEW–386 shall be

substituted for Clause 6, Equal Opportunity, Forms HEW–313, –314, –315, and –316.

(16) Use of GSA Supply Sources by Contractors Performing Cost Reimbursement Type Contracts. Subpart 3–5.9 of this chapter presents the contract clause to be used when it is contemplated that the Contractor will be authorized to use GSA supply sources.

(17) Pursuant to §§ 1–3.704–3 and 1–3.705(g) of this title, the following paragraph shall be added to the prescribed clause entitled "Negotiated Overhead Rates" (Forms HEW–315, –316, § 1–3.704 of this title) when the contractor is an educational institution or a nonprofit organization:

(g) Submission of proposed provisional and/or final overhead rates together with supporting data to the Secretary, and agreements on provisional and/or final overhead rates entered into with the Department as evidenced by a Negotiated Overhead Rate Agreement signed by both parties, shall be deemed to fulfill the requirements of paragraphs (b), (d), and (e) above.

(18) Use, as appropriate, the special Contract Clauses contained in Subpart 3–7.50 of this chapter.

§ 3–16.5004 Availability of forms.

The forms prescribed by this subpart are available through normal requisitioning channels.

Effective date. This amendment shall be effective upon publication in the FEDERAL REGISTER.

Dated: December 23, 1970.

SOL ELSON,
Acting Deputy Assistant Secretary for Administration.

[F.R. Doc. 71–44; Filed, Jan. 4, 1971; 8:47 a.m.]

Chapter 114—Department of the Interior

PART 114–26—PROCUREMENT SOURCES AND PROGRAMS

PART 114–38—MOTOR EQUIPMENT MANAGEMENT

U.S. Government National Credit Card

Pursuant to the authority of the Secretary of the Interior contained in 5 U.S.C. 301 (Supp. V, 1965–69) and section 205(c), 63 Stat. 390; 40 U.S.C. 486 (c), a new Part 114–26 (as set forth below) is added to Chapter 114, Title 41 of the Code of Federal Regulations.

This new part contains the Department of the Interior Regulations (41 CFR Chapter 114, cited as IPMR) which supplement the Federal Property Management Regulations (41 CFR Chapter 101, cited as FPMR) on the use of Standard Form 149, U.S. Government National Credit Card. References to the Bureau of Commercial Fisheries and the Federal Water Quality Administration have been deleted. These regulations are presently published in 41 CFR Subpart 114–38.8 which is hereby superseded.

This part shall become effective on the date of its publication in the FEDERAL REGISTER.

RICHARD R. HITE,
Deputy Assistant Secretary for Administration.

DECEMBER 29, 1970.

Subpart 114–26.406—U.S. Government National Credit Card for Use in Obtaining Service Station Deliveries and Services

Sec.

AUTHORITY: The provisions of this Part 114–26 issued under 5 U.S.C. 301 (Supp. V, 1965–69) and sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).

Subpart 114–26.406—U.S. Government National Credit Card for Use in Obtaining Service Station Deliveries and Services

§ 114–26.406–1 General.

Each motor vehicle which will require fueling and servicing at commercial service stations shall be provided with either a Standard Form 149, U.S. Government National Credit Card, or commercial credit cards from as many Federal Supply Schedule contractors as needed to satisfy requirements. The head of each Bureau and Office shall specify the type of credit card to be used in his bureau.

§ 114–26.406–2 Billing code.

(a) The first three digits of the 10-digit billing code embossed on national credit cards in use in the Department of the Interior will always be 000.

(b) The fourth digit may be used by Bureaus and Offices to designate the vehicle class or provide additional billing code numerals. If not used for either of these purposes, zero will be used.

(c) The fifth and sixth digits will be "14", the agency code assigned to the Department of the Interior.

(d) The seventh, eighth, and ninth digits, which indicate the agency billing code number, should be assigned to field offices as determined by each Bureau and Office. Blocks of billing code numbers are assigned to Bureaus and Offices of the Department as follows:

Southwestern Power Administration—000 through 009 inclusive.
Bonneville Power Administration — 010 through 019 inclusive.
Geological Survey—020 through 029 inclusive.
Southeastern Power Administration — 030 through 039 inclusive.
Office of Territories—040 through 059 inclusive.
Bureau of Mines—060 through 099 inclusive.
Reserved—100 through 149 inclusive.
Bureau of Sport Fisheries and Wildlife—150 through 199 inclusive.
Bureau of Reclamation—200 through 499 inclusive.
Bureau of Indian Affairs—500 through 549 inclusive.
National Park Service—550 through 569 inclusive.
Bureau of Land Management—570 through 599 inclusive.
Office of the Secretary—600 through 624 inclusive.
Reserved—625 through 699 inclusive.
Alaska Power Administration—700 through 704 inclusive.
Bureau of Indian Affairs—705 through 784 inclusive.
Reserved—785 through 799 inclusive.
Bureau of Land Management—800 through 864 inclusive.
Reserved—865 through 964 inclusive.
National Park Service—965 through 999 inclusive.

§ 114–26.406–4 Administrative control of credit cards.

(a) In the event a Standard Form 149 is lost or stolen, reasonable precautions should be taken to minimize the opportunity of purchases being made by unauthorized persons. The following actions should be taken as a minimum:

(1) The paying office should be notified of the loss or theft and to be on the alert for any unauthorized bills, and

(2) Appropriate service station outlets in the area should be notified of the loss or theft to guard against purchases by unauthorized persons.

(b) The same precautions as indicated above should be taken in the event of loss or theft of a credit card issued by a Federal Supply Schedule contractor.

§ 114–26.406–6 Notice to GSA of assignment of billing codes and billing addresses.

(a) Bureaus and Offices using Standard Form 149 shall notify GSA of billing codes assigned and billing addresses as required by FPMR 101–26.406–6(a).

(b) Changes in billing codes and billing addresses should be forwarded to GSA at the address shown in FPMR 101–26.406–6(a).

[F.R. Doc. 71–81; Filed, Jan. 4, 1971; 8:49 a.m.]

PART 114–45—SALE, ABANDONMENT, OR DESTRUCTION OF PERSONAL PROPERTY

Noncollusive Bids and Proposals

Pursuant to the authority of the Secretary of the Interior contained in 5 U.S.C. 301 (Supp. V, 1965–69) and section 205(c), 63 Stat. 390; 40 U.S.C. 486(c), § 114–45.317 (a) and (b) of Part 114–45 are revised as set forth below to correct references contained therein. These revised paragraphs shall become effective on the date of their publication in the FEDERAL REGISTER.

RICHARD R. HITE,
Deputy Assistant Secretary for Administration.

DECEMBER 29, 1970.

Subpart 114–45.3—Sale of Personal Property

§ 114–45.317 Noncollusive bids and proposals.

(a) Certificate of independent price determination: A certificate of indepen-

dent price determination shall be required with each bid or offer for the purchase of personal property, except where the price is fixed in advance of sale pursuant to law or regulation.

(1) The certificate of independent price determination clause contained in Condition No. 20 of the General Sale Terms and Conditions, Standard Form 114C, shall be included in all invitations for bids and requests for quotations on Government sales of personal property and shall be submitted with sealed bids and written quotations submitted in response thereto.

(2) Auction and spot bid sales: Bureaus and Offices conducting sales of Government property by the auction or spot bid methods shall include an appropriate provision in the sales notice which will put the successful bidder on notice that he will be required, as a condition of award, to sign a certificate to the effect that "the bid was arrived at by the bidder or offeror independently, and was tendered without collusion with any other bidder or offeror."

(3) The requirement for a certificate of independent price determination applies to sales of surplus personal property and to program sales made pursuant to special statutes as referred to in IPMR 114-45.316-2(a).

(b) The authority to make the termination referred to in FPMR 101-45.317 (b) is vested in the heads of bureaus and offices and may not be redelegated.

* * * * *

[F.R. Doc. 71-80; Filed, Jan. 4, 1971; 8:49 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter II—Bureau of Land Management, Department of the Interior

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 4976]

[ES 6156]

ALABAMA

Opening of Land Subject to Section 24 of the Federal Power Act

By virtue of the authority contained in section 24 of the Federal Power Act of June 10, 1920, 41 Stat. 1075, as amended, 16 U.S.C. section 818 (1964), it is ordered as follows:

In DA-14-Alabama the Federal Power Commission determined that the power value of the following described land, withdrawn in part in Project No. 2165, will not be injured or destroyed by its restoration under appropriate public land laws, subject to the provisions of section 24 of the Federal Power Act:

HUNTSVILLE MERIDIAN

T. 12 S., R. 6 W.,
Sec. 13, SE¼NE¼.

The area described aggregates 40 acres in Winston County.

At 10 a.m. on January 29, 1971, the above described land shall be open to such forms of disposition as may by law be made of national forest lands, subject to valid existing rights, the provisions of existing withdrawals, and to the requirements of applicable law, and subject to the provisions of section 24 of the Federal Power Act, supra, and to the right of the licensee for Project No. 2165, its successors and assigns, to occupy and use the project lands for project purposes.

Inquiries concerning the land should be addressed to the Manager, Eastern States Land Office, Bureau of Land Management, 7981 Eastern Avenue, Silver Spring, MD 20910.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-65; Filed, Jan. 4, 1971; 8:48 a.m.]

[Public Land Order 4978]

[Oregon 6586 (Wash.)]

WASHINGTON

Partial Revocation of Reclamation Withdrawal

By virtue of the authority contained in section 3 of the Act of June 17, 1902, 32 Stat. 388, as amended and supplemented, 43 U.S.C. section 416 (1964), it is ordered as follows:

1. The order of the Bureau of Reclamation of June 13, 1947, concurred in by the Bureau of Land Management on June 18, 1947, withdrawing lands for the Columbia Basin Project, is hereby revoked so far as it affects the following described lands:

WILLAMETTE MERIDIAN

T. 10 N., R. 31 E.,
Sec. 26, NW¼.
T. 10 N., R. 32 E.,
Sec. 4, lots 1 to 4, inclusive, S½NW¼, SW¼, SW¼NE¼, SE¼SE¼.

The areas described aggregate approximately 632.98 acres in Franklin County.

The lands are located 14 miles northeast of Pasco, Wash., and approximately 4 miles northwest of the Snake River. Vegetative cover is sagebrush, native grasses, and forbs.

2. At 10 a.m. on January 29, 1971, the lands shall be open to operation of the public land laws, including the U.S. mining laws, subject to valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law. All valid applications received at or prior to 10 a.m. on January 29, 1971, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing. The lands have been and continue to be open to applications and offers under the mineral leasing laws.

Inquiries concerning the lands should be addressed to the Chief, Division of Lands and Minerals Program Management and Land Office, Bureau of Land Mangement, Portland, Oreg.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-18; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4979]

[Sacramento 3526]

CALIFORNIA

Addition to the Abbey Bridge Recreation Area

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

1. Subject to valid existing rights, the following described national forest lands are hereby withdrawn from appropriation under the mining laws (30 U.S.C., Ch. 2), but not from leasing under the mineral leasing laws, in aid of programs of the Department of Agriculture:

MOUNT DIABLO MERIDIAN

PLUMAS NATIONAL FOREST

Abbey Bridge Recreation Area

T. 24 N., R. 13 E.,
Sec. 1, lots 1 and 2;
Sec. 2, lots 2, 3, and 4;
Sec. 3, lots 1, 2, 3, and 4;
Sec. 8, S½NE¼, SE¼NW¼, and N½SE¼;
Sec. 9, SW¼NW¼, SW¼, S½NW¼SE¼, and S½SE¼;
Sec. 10, SW¼SW¼ and S½SE¼SW¼;
Sec. 14, S½NE¼, NW¼NW¼, and SE¼NW¼;
Sec. 15, N½NE¼ and N½NW¼.
T. 24 N., R. 14 E.,
Sec. 5, SW¼NW¼, E½SW¼, NW¼SW¼, and W½SE¼;
Sec. 6, lots 1 and 2, and SE¼NE¼;
Sec. 7, lot 2.
T. 25 N., R. 13 E.,
Sec. 32, SE¼NE¼;
Sec. 33, S½NE¼ and NW¼;
Sec. 34, SW¼NE¼, S½NW¼, and SE¼;
Sec. 35, S½SW¼ and SE¼.
T. 25 N., R. 14 E.,
Sec. 31, lot 4, E½SW¼, and W½SE¼.

The areas described aggregate approximately 2,654 acres in Plumas County.

2. The withdrawal made by this order does not alter the applicability of those public land laws governing the use of the national forest lands under lease, license, or permit, or governing the disposal of their mineral or vegetative resources other than under the mining laws.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-19; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4980]

[Wyoming 23414]

WYOMING

Partial Revocation of Stock Driveway Withdrawal

By virtue of the authority contained in section 10 of the Act of December 29, 1916, 39 Stat. 865, as amended, 43 U.S.C. § 300 (1964), it is ordered as follows:

1. The departmental order of August 3, 1921, creating Stock Driveway Withdrawal No. 146 (Wyoming No. 20), is hereby revoked so far as it affects the following described lands:

SIXTH PRINCIPAL MERIDIAN

T. 35 N., R. 110 W.,
Sec. 5, E½SW¼.

The area described contains approximately 80 acres in Sublette County.

The lands lie approximately 6 miles north of Cora, Wyoming. The tract is rolling sagebrush land, of which a small portion slopes into the New Fork River Valley.

2. At 10 a.m. on January 29, 1971, the public lands shall be open to the operation of the public land laws generally, subject to valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law. All valid applications received at or prior to 10 a.m. on January 29, 1971, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

The lands have been and continue to be open to applications and offers under the mineral leasing laws, and to location under the U.S. mining laws.

Inquiries concerning the land should be addressed to the Assistant Manager, Branch of Lands, Bureau of Land Management, Cheyenne, Wyo.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-20; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4981]

[Wyoming 22747]

WYOMING

Withdrawal for Reclamation Project

By virtue of the authority contained in section 3 of the Act of June 17, 1902, 32 Stat. 388, as amended and supplemented, 43 U.S.C. § 416 (1964), it is ordered as follows:

Subject to valid existing rights, the following described public land, which is under the jurisdiction of the Secretary of the Interior, is hereby withdrawn from all forms of appropriation under the public land laws, and reserved for the Glendo Dam and Reservoir of the Missouri River Basin Project:

SIXTH PRINCIPAL MERIDIAN

T. 29 N., R. 68 W.,
Sec. 24, NE¼.

The area described contains 160 acres in Platte County.

All of the mineral rights in the described lands belong to the State of Wyoming.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-21; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4982]

[Sacramento 080090]

CALIFORNIA

Withdrawal for Protection of the Applegate Reservoir Project

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

1. Subject to valid existing rights and the provisions of existing withdrawals, the following described lands are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws (30 U.S.C., Ch. 2), but not from leasing under the mineral leasing laws, for the protection of facilities of the Applegate Reservoir project:

ROGUE RIVER NATIONAL FOREST
MOUNT DIABLO MERIDIAN

T. 48 N., R. 11 W.,
Sec. 17, lots 3, 4, SE¼SW¼;
Sec. 18, lot 1.

The areas described aggregate approximately 139.19 acres in Siskiyou County.

2. The withdrawal made by this order does not alter the applicability of the public land laws governing the use of the lands under lease, license, or permit, or governing the disposal of their mineral or vegetative resources other than under the mining laws, nor does it alter the jurisdiction of the Secretary of Agriculture over the national forest lands for purposes other than construction of the Applegate Reservoir project. The terms and conditions for utilization of the national forest lands for the construction and maintenance of the project facilities by the Corps of Engineers will be governed by the memorandum of agreement entered into by the Department of Agriculture and the Department of the Army, dated August 13, 1964, as may be amended and supplemented.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-22; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4983]

[Arizona 035187]

ARIZONA

Withdrawal of Lands for the Fort Bowie National Historic Site

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

1. Subject to valid existing rights, the following described lands, under the jurisdiction of the Secretary of the Interior, are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws (30 U.S.C., Ch. 2), and from leasing under the mineral leasing laws, and reserved for use in connection with the dedication and preservation of the Fort Bowie National Historic Site, authorized by the Act of August 30, 1964, 78 Stat. 681, 16 U.S.C. § 461 (1964):

GILA AND SALT RIVER MERIDIAN

T. 15 S., R. 28 E.,
Sec. 1, SW¼NE¼SW¼, SE¼SW¼, SE¼NE¼SW¼;
Sec. 2, S½N½SE¼, S½SE¼;
Sec. 3, S½SW¼SE¼, SW¼SE¼SE¼, S½SE¼SW¼;
Sec. 10, N½NE¼NW¼, N½N½NE¼;
Sec. 11, N½NW¼NW¼, SE¼NW¼NW¼, NE¼NW¼, N½SE¼NW¼, N½S½SE¼NW¼, N½NE¼, N½SE¼NE¼, SE¼SE¼NE¼, N½SW¼NE¼, N½S½SW¼NE¼;
Sec. 12, N½NW¼, N½SW¼, S½N½NE¼, S½N½, N½SE¼.

The areas described aggregate approximately 970 acres in Cochise County.

2. Of the 970 acres described above 700 acres are public lands, and 270 acres, described as the SE¼NE¼SW¼, sec. 1, S½SE¼SW¼, sec. 2, and the S½N½, N½SE¼, sec. 12, were privately owned lands, which have been acquired by the United States for use as part of the historic site. The withdrawal of these lands from appropriation under the public land laws, and the mining laws, and from leasing under the mineral leasing laws, as provided for in paragraph 1, is subject to a reservation of an undivided one-fourth interest of oil, gas, and other minerals in the acquired lands described as the S½N½ sec. 12, vested in A. L. Stransberry and Mary M. Stransberry, as recorded in Docket 184, at page 620, County Records, Cochise County, Ariz.

3. All of the lands described in this order will be administered by the National Park Service pursuant to provisions of the Act of August 25, 1916, 39 Stat. 666, 16 U.S.C. §§ 1–4 (1964), as amended by the Historic Sites Act of August 21, 1935, 16 U.S.C. §§ 461–467 (1964), except that grazing thereon will be administered by the Bureau of Land Management in cooperation with the National Park Service, so long as it is compatible with uses to which the lands are to be dedicated.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-23; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4984]

[Riverside 2572]

CALIFORNIA

Withdrawal From Mineral Entry

By virtue of the authority vested in the President and pursuant to Execu-

tive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

Subject to valid existing rights, the minerals reserved to the United States in the following described patented lands are hereby withdrawn from prospecting, location, entry and purchase under the mining laws (30 U.S.C., Ch. 2), but not from leasing under the mineral leasing laws, for the protection of the lands and preservation of their surface resources, including the Tecate Cypress:

SAN BERNARDINO MERIDIAN

T. 18 S., R. 2 E.,
Sec. 24, SW¼SE¼;
Sec. 25, lots 3 to 9, inclusive, and lots 11, 12, 13;
Sec. 26, E½NE¼.
T. 18 S., R. 3 E.,
Sec. 29, lot 7;
Sec. 30, lot 2.

The areas described aggregate 585.21 acres in San Diego County.

The lands were patented pursuant to the Act of December 29, 1916, 39 Stat. 862, as amended, 43 U.S.C. section 291 (1964), with a reservation of all the minerals to the United States, under the jurisdiction of the Secretary of the Interior. They are part of a 2,261-acre tract bequeathed to the State of California and placed under the control of the Department of Natural Resources and are to remain in State ownership in perpetuity.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-24; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4985]

[Montana 13651]

MONTANA

Withdrawal for National Forest Recreation Area

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

1. Subject to valid existing rights, the following described national forest lands are hereby withdrawn from appropriation under the mining laws (30 U.S.C., Ch. 2), but not from leasing under the mineral leasing laws, in aid of programs of the Department of Agriculture:

KOOTENAI NATIONAL FOREST

PRINCIPAL MERIDIAN

Whitetail Campground Expansion

T. 35 N., R. 32 W., unsurveyed, but probably will be when surveyed:
Sec. 6, that part of HES 847 in sec. 6.
T. 36 N., R. 32 W., unsurveyed, but probably will be when surveyed:
Sec. 31, that part of HES 847 in sec. 31.
T. 35 N., R. 33 W., unsurveyed, but probably will be when surveyed:
Sec. 1, that part of HES 847 in sec. 1; that part of S½SW¼NE¼ outside the boundaries of HES 847; that part of W½SE¼NE¼ outside the boundaries of HES 847.
T. 36 N., R. 33 W., unsurveyed, but probably will be when surveyed:
Sec. 36, that part of HES 847 in sec. 36.

The areas described aggregate 86.41 acres in Lincoln County.

2. The withdrawal made by this order does not alter the applicability of those public land laws governing the use of the national forest lands under lease, license, or permit or governing the disposal of their mineral or vegetative resources other than under the mining laws.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-25; Filed, Jan. 4, 1971; 8:46 a.m.]

[Public Land Order 4986]

[Nevada 2114]

NEVADA

Withdrawal for Department of the Air Force

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

1. Subject to valid existing rights, the following described public lands are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws (30 U.S.C., Ch. 2), and from filing of applications and offers under the mineral leasing laws, and reserved for use of the Department of the Air Force as an addition to the Indian Springs Auxiliary Air Field:

MOUNT DIABLO MERIDIAN

T. 16 S., R. 54 E.,
Sec. 1, N½;
Sec. 2, N½;
Sec. 3, N½;
Sec. 4, NE¼.
T. 16 S., R. 55 E.,
Sec. 1, N½;
Sec. 2, N½;
Sec. 3, N½;
Sec. 4, N½;
Sec. 5, N½;
Sec. 6, N½.
T. 16 S., R. 55½ E.,
Sec. 1, N½;
Sec. 2, N½.

The areas described aggregate 3,631.19 acres in Clark and Nye Counties.

2. The withdrawal made by this order does not alter the applicability of the public land laws governing the use of the lands under lease, license, or permit, or governing the disposal of their mineral or vegetative resources other than under the mining and mineral leasing laws. However, leases, licenses, or permits will be issued only if the Department of the Air Force finds that the proposed use of the lands will not interfere with the proper operation of the facilities on the lands.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 24, 1970.

[F.R. Doc. 71-26; Filed, Jan. 4, 1971; 8:46 a.m.]

Title 45—PUBLIC WELFARE

Chapter I—Office of Education, Department of Health, Education, and Welfare

PART 177—FEDERAL, STATE AND PRIVATE PROGRAMS OF LOW-INTEREST LOANS TO STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

Special Allowances

Paragraph (c) of § 177.4, *Special allowances*, which deals with the payment to lenders of the allowances authorized by section 2 of the "Emergency Insured Student Loan Act of 1969" (Public Law 91-95) is amended to include two previously published subparagraphs establishing special allowance rates which were not reflected in the revised regulations for the Guaranteed Student Loan Program, published October 31, 1970. These subparagraphs, published July 1, 1970, and October 1, 1970, now appear as § 177.4(c)(3) (iv) and (v), respectively.

Paragraph (c) of § 177.4 is further amended to provide for the payment of a special allowance for the period of October 1, 1970, through December 31, 1970, inclusive. This amendment is accomplished through a new subdivision, § 177.4(c)(3)(vi).

§ 177.4 Special allowances.

* * * * *

(c) * * *

(3) Special allowances are authorized to be paid as follows:

* * * * *

(iv) For the period April 1, 1970, through June 30, 1970, inclusive, in an amount equal to the rate of 2¼ percent per annum of the average unpaid balance of disbursed principal of eligible loans.

(v) For the period July 1, 1970, through September 30, 1970, inclusive, in an amount equal to the rate of 2 percent per annum of the average unpaid balance of disbursed principal of eligible loans.

(vi) For the period October 1, 1970, through December 31, 1970, inclusive, in an amount equal to the rate of 1½ percent per annum of the average unpaid balance of disbursed principal of eligible loans.

* * * * *

(Sec. 2, 83 Stat. 141)

CORRECTIONS

In F.R. Doc. 70-14670 which appears at pages 16888-16896 of the issue for Saturday, October 31, 1970, the following changes should be made:

(1) At page 16889 § 177.1(k) line 4, "instruction" should be "institution",

(2) At page 16889 § 177.1(n) line 9, "persits" should be "persists"

(3) At page 16894 § 177.31(a) line 11, "defualt" should be "default"

(4) At page 16894 § 177.41 line 7 insert "and where he" after "§ 177.12,".

Dated: December 28, 1970.

PETER P. MUIRHEAD,
Acting Commissioner of Education.

Approved: December 29, 1970.

ELLIOT L. RICHARDSON,
Secretary.

[F.R. Doc. 71-43; Filed, Jan. 4, 1971; 8:47 a.m.]

Title 49—TRANSPORTATION

Subtitle A—Office of the Secretary of Transportation

[OST Docket No. 2; Amdt. No. 7-3]

PART 7—PUBLIC AVAILABILITY OF INFORMATION

Miscellaneous Amendments

The purpose of this amendment to Part 7 of Subtitle A of Title 49, Code of Federal Regulations, is to reflect the establishment, within the Department of Transportation, of the National Highway Safety Bureau as an operating administration and the abolition of the Office of the Assistant Secretary for Public Affairs.

The National Highway Safety Bureau was established as a separate operating administration by an amendment to Part 1 of the regulations of the Office of the Secretary of Transportation (35 F.R. 4955), on March 21, 1970. The Office of the Assistant Secretary for Public Affairs was abolished by an amendment to Part 1 on August 6, 1970 (35 F.R. 12763).

Since this amendment relates to Departmental organization, procedure, and practices, notice and public procedure thereon is unnecessary and it may be made effective in less than 30 days after publication in the FEDERAL REGISTER.

In consideration of the foregoing, Part 7 of Title 49 of the Code of Federal Regulations is amended as set forth below effective January 1, 1971.

(Sec. 552, title 5, U.S.C.; sec. 9, Department of Transportation Act, Public Law 89-670, 49 U.S.C. 1657; title V, Independent Offices Appropriation Act of 1952, 65 Stat. 290)

Issued in Washington, D.C., on the 29th day of December 1970.

JOHN A. VOLPE,
Secretary of Transportation.

1. The table of contents is amended by adding the following at the end thereof:

Appendix H—National Highway Safety Bureau.

2. Section 7.1(c) is amended by striking the words "A through G" and inserting the words "A through H" in place thereof.

3. Sections 7.1(c), 7.11, 7.43 (a) and (c), 7.71(b), and paragraphs 2 and 4 of Appendix A are amended by striking the words "Assistant Secretary for" and inserting the words "Director of" in place thereof.

4. Section 7.43(a) and paragraph 2 of Appendix A are amended by striking the words "800 Independence Avenue SW.," and inserting the words "400 Seventh Street SW.," in place thereof.

5. Section 7.71 (d) and (e) are amended by striking the words "Assistant Secretary" and inserting the word "Director" in place thereof.

6. Section 7.85(g) is amended to read as follows:

§ 7.85 Fee schedule.

* * * * *

(g) Microreproduction fees are as follows:

(1) Microfilm copies, each 100-foot roll or less	$8.00
(2) Microfiche copies, each standard size sheet (4" x 6", 60 copies)	.50

* * * * *

7. Paragraph 4 of Appendix A is amended by striking the letter "(a)" and inserting the number "2" in place thereof.

8. A new Appendix H is added to read as follows:

APPENDIX H—NATIONAL HIGHWAY SAFETY BUREAU

1. *General.* This appendix describes the document inspection facilities of the National Highway Safety Bureau (NHSB), the kinds of records that are available for public inspection and copying at these facilities, and the procedures by which members of the public may make requests for identifiable records.

2. *Document inspection facilities.* Document inspection facilities are maintained for NHSB Headquarters and each NHSB regional office. These facilities are open to the public during regular working hours at the following addresses:

Washington Headquarters:
National Highway Safety Bureau, Office of Administrative Services, Room 5108, 400 Seventh Street SW., Washington, DC 20591.
National Highway Safety Bureau, Docket Section, Room 4223, 400 Seventh Street SW., Washington, DC 20591. (Material covered by paragraph 3(c) only.)

REGIONAL OFFICES

Region I—Regional Director, NHSB, Transportation Systems Center, 55 Broadway, Cambridge, MA 02412.
Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.
Region II—Regional Director, NHSB, 4 Normanskill Boulevard, Delmar, NY 12054.
New Jersey, New York, and Puerto Rico.
Region III—Regional Director, NHSB, Room 817, Federal Building, 31 Hopkins Plaza, Baltimore, MD 21201.
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia.
Region IV—Regional Director, NHSB, Suite 400, 1720 Peachtree Road NW., Atlanta, GA 30309.
Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.
Region V—Regional Director, NHSB, 18209 Dixie Highway, Homewood, IL 60430.
Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.
Region VI—Regional Director, NHSB, Room 8A42, 819 Taylor Street, Fort Worth, TX 76102.
Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.
Region VII—Regional Director, NHSB, Post Office Box 7186, Country Club Station, Kansas City, MO 64113.
Iowa, Kansas, Missouri, and Nebraska.
Region VIII—Regional Director, NHSB, Room 107, Building 40, Denver Federal Center, Denver CO 80225.
Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming.
Region IX—Regional Director, NHSB, 450 Golden Gate Avenue, Box 36096, San Francisco, CA 94102.
Arizona, California, Hawaii, and Nevada.
Region X—Regional Director, NHSB, Room 301, Mohawk Building, 222 SW. Morrison Street, Portland, OR 97204.
Alaska, Idaho, Oregon, and Washington.

3. Records available at document inspection facilities.

(a) The following records are available at the NHSB Headquarters document inspection facility.

(1) Final opinions and orders made in the adjudication of cases and issued from within the National Highway Safety Bureau.

(2) Any policy or interpretation issued within the National Highway Safety Bureau, including any policy or interpretation concerning a particular factual situation, if that policy or interpretation can reasonably be expected to have precedential value in any case involving a member of the public in a similar situation.

(b) The following records are available at all NHSB document inspection facilities:

NHSB Orders. These orders are issued by National Highway Safety Bureau and contain policy, instructions, and general procedures.

NHSB Audit Manual. Audit Manual (issued by Audits & Investigation—FHWA).

NHSB Notices. These notices are issued by National Highway Safety Bureau and transmit one-time or short-term announcements or temporary directives (90 days or less).

Motor Vehicle Safety Standards. These standards, issued by National Highway Safety Bureau, apply to new motor vehicles and equipment thereon.

Highway Safety Standards. These standards, issued by National Highway Safety Bureau, apply to State highway safety programs.

(c) Informal interpretations and opinions concerning provisions of the National Traffic and Motor Vehicle Safety Act of 1966 and regulations and standards issued thereunder which have been given to members of the public by National Highway Safety Bureau officials are available at the NHSB Docket Section.

4. *Request for identifiable records under Subpart E of this part.* Each person desiring to inspect a record, or to obtain a copy thereof, may submit his request, in writing, to any NHSB document inspection facility. If that facility does not have custody of the record, it will forward the request to the appropriate office. Each request must be accompanied by the appropriate fee prescribed in Subpart H of this part.

5. *Reconsideration of determinations not to disclose records.* Any person to whom a record is not made available within a reasonable time after his request, and any person who has been notified that a record he has requested cannot be disclosed, may apply, in writing, to the Associate Director for Admin-

istration, National Highway Safety Bureau, Nassif Building, 400 Seventh Street SW., Washington, DC 20591, for reconsideration of his request. The decision of the Associate Director for Administration is administratively final.

[F.R. Doc. 71-99; Filed, Jan. 4, 1971; 8:51 a.m.]

Chapter I—Hazardous Materials Regulations Board, Department of Transportation

[Docket No. HM-58; Amendment No. 173-40]

PART 173—SHIPPERS

Retest of Damaged Tank Car Tanks

The purpose of this amendment is to require the hydrostatic retest of damaged tank car tanks after repairs requiring hot or cold forming to restore the tank contour.

On September 16, 1970, the Hazardous Materials Regulations Board published a notice of proposed rule making, Docket No. HM-58; Notice No. 70-17 (35 F.R. 14511), proposing to amend the regulations as stated above.

Interested parties were invited to give their views on this proposal. No objections were received to the provisions of the basic proposal. One commenter observed that it might minimize confusion if the word "shell" were deleted from the first sentence of § 173.31(c)(9) as it was proposed. On the basis of intent regarding the change, and in the interest of safety in repair of cars to be returned to service, the Board agrees that the rule would be improved by this change.

Accordingly, 49 CFR Part 173 is amended as follows:

In § 173.31 paragraph (c)(9) is amended to read as follows:

§ 173.31 Qualification, maintenance, and use of tank cars.

* * * * *

(c) * * *

(9) After repairs requiring welding, riveting, caulking of rivets, or hot or cold forming to restore tank contour, tanks must be retested as specified in Retest Table 1 of this paragraph before return to service. Glass, lead, or rubber-lined tanks must be retested before lining is renewed. Interior heater systems must be retested before return to service after repairs or renewals of any part of the system.

* * * * *

This amendment is effective March 10, 1971. However, compliance with the regulations, as amended herein, is authorized immediately.

(Secs. 831-835, title 18, U.S.C., sec. 9, Department of Transportation Act, 49 U.S.C. 1657)

Issued in Washington, D.C., on December 29, 1970.

CARL V. LYON,
Acting Administrator,
Federal Railroad Administration.

[F.R. Doc. 71-100; Filed, Jan. 4, 1971; 8:51 a.m.]

Chapter X—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Service Order No. 1051; Amdt. 1]

PART 1033—CAR SERVICE

Distribution of Privately Owned Coal Cars

At a session of the Interstate Commerce Commission, held in Washington, D.C., on the 23d day of December 1970.

Upon further consideration of Service Order No. 1051 (35 F.R. 16088) and good cause appearing therefor:

It is ordered, That: § 1033.1051 *Distribution of privately owned coal cars.* Service Order No. 1051 be, and it is hereby, amended by substituting the following paragraph (f) for paragraph (f) thereof:

(f) *Expiration date.* This order shall expire at 11:59 p.m., June 30, 1971, unless otherwise modified, changed, or suspended by order of this Commission.

Effective date. This amendment shall become effective at 11:59 p.m., December 31, 1970.

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17(2). Interprets or applies sec. 1 (10-17), 15(4), and 17(2), 40 Stat. 101, as amended 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4), and 17(2))

It is further ordered, That copies of this amendment shall be served upon the Association of American Railroads, Car Service Division, and upon the American Short Line Railroad Association, as agents of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

[F.R. Doc. 71-76; Filed, Jan. 4, 1971; 8:49 a.m.]

SUBCHAPTER C—ACCOUNTS, RECORDS AND REPORTS

[No. 32153]

PART 1201—UNIFORM SYSTEM OF ACCOUNTS FOR RAILROAD COMPANIES

Uniform System of Accounts for Railroad Companies

At a session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D.C., on the 22d day of December 1970.

On September 1, 1970, revised notice of proposed rulemaking regarding proposed amendments of the Uniform System of Accounts for Railroad Companies, pertaining to the accounting treatment of terminals and highway equipment used in TOFC/COFC (piggyback) service and other matters, was published in the FEDERAL REGISTER (34 F.R. 13844). After consideration of all such relevant matter as was submitted by interested persons, the amendments as so proposed are hereby adopted.

It is ordered, That the amendments to Part 1201 as proposed are adopted subject to the following changes:

1. In the sentence added to the text of account 37, the words "and similar machines listed below" are added after the word "equipment".

2. By added amendment, in Note "B" of account 202, the words "enginehouse expense accounts" are changed to "expense accounts for servicing locomotives".

3. By adding amendment, in Note "A" of account 218, the stated titles of accounts 388 and 400 are changed to 388, "Servicing yard locomotives", and 400, "Servicing train locomotives", respectively.

4. By added amendments, in the "Condensed Classification of Operating Expenses", the account titles listed for accounts 388 and 400 are changed to "388. Servicing yard locomotives" and "400. Servicing train locomotives", respectively.

It is further ordered, That these amendments are effective January 1, 1971.

And it is further ordered, That service of this order shall be made on all carriers by railroad which are affected hereby and notice thereto shall be given the general public by depositing a copy of this order in the Office of the Secretary of the Commission at Washington, D.C., and by filing the order with the Director, Office of the Federal Register.

(Sec. 20, 24 Stat. 386, as amended, 49 U.S.C. 20)

By the Commission, Division 2.

[SEAL] ROBERT L. OSWALD,
Secretary.

I. INSTRUCTIONS AMENDED

Item No. 1. Instruction "2-5 Equipment" is amended by revising the first sentence as follows: "Accounts are provided for several classes of equipment, such as locomotives, passenger-train cars, freight-train cars, highway revenue equipment, work equipment, floating equipment, and the necessary appurtenances, furniture, and fixtures first to equip for service, including the cost of inspection, setting up, and trying out, and transportation over foreign lines; also the cost of additions and betterments, such as improved appliances, parts, or appurtenances. * * *"

Item No. 2. Instruction "2-25 Lists of units of property" is amended as follows:

(a) Directly below the list of units for "Account 24, Coal and Ore Wharves" add the following:

Account 25, TOFC/COFC Terminals

A complete building.
A complete building, including attached platform and ramp.
A complete platform and attached ramp, structurally detached from a building.
A portable ramp.
A complete fence.
Paving, each complete installation.
An overhead crane, complete.
Each sewer installation.
A truck or tractor used exclusively at TOFC/COFC terminals.
Each floodlighting pole or tower installation.
Each floodlighting installation.
A power distribution system, complete.
Any applicable units listed under other accounts.

(b) The following item is added to the list of units for "Account 37, Roadway Machines":

Each on and/or off-track automotive vehicle complete, including appurtenant special-purpose machinery.

(c) The account number, title, and list of units for "Account 51, Steam Locomotives" are deleted.

(d) The title and list of units for "Account 52, Other Locomotives" are revised as follows:

Account 52, Locomotives

Diesel electric, lead or booster, i.e., "A" or "B" units.
Diesel electric. Extra or spare motors.
Electric locomotive.
Gasoline locomotive.
Gas turbine locomotive.
Radio control locomotive.
Steam locomotive, complete.
Steam locomotive, exclusive of tender.
Steam locomotive tender.
Steam locomotive booster.

(e) Directly below the list of units for "Account 54, Passenger-Train Cars" add the following:

Account 55, Highway Revenue Equipment

A complete vehicle.
A chassis.
A container.
A bogie.

(f) The list of units for "Account 58, Miscellaneous Equipment" is revised as follows:

Account 58, Miscellaneous Equipment

An airplane.
A complete vehicle.

Item No. 3. Directly below the caption "Instructions for Depreciation Accounts," Instruction "5–1 Method" is amended by revising the list of primary accounts following paragraph (c) as follows:

(a) The following line item is added directly below "24 Coal and ore wharves":

25. TOFC/COFC terminals.

(b) Line item "51 Steam locomotives" is deleted.

(c) Line item "52 Other locomotives" is changed to:

52. Locomotives

(d) The following line item is added directly below "54 Passenger-train cars":

55. Highway revenue equipment.

II. TEXTS OF PROPERTY ACCOUNTS ADDED, AMENDED, DELETED, AND REVISED

Item No. 1. The system of accounts following the text of account 24, "Coal and ore wharves", is amended by adding the following account number, title and text:

25 TOFC/COFC Terminals.

This account shall include the cost of structures, fixtures, machinery and appurtenances comprising terminals used for loading and unloading trailers and containers on and from flat cars.

TOFC/COFC TERMINAL STRUCTURES AND DETAILS

Cranes and hoists, including related machinery and appurtenances.
Drainage and sewerage.
Fences.
Grading and preparing grounds for TOFC/COFC terminals.
Offices, TOFC/COFC terminal.
Lighting system.
Platforms, ramps and appurtenances.
Power distribution systems.
Sidewalks, pavements and driveways on terminal grounds.
Terminal trucks and tractors.

NOTE: "Trailers", as used in the text and elsewhere in this system of accounts unless otherwise indicated in the context, means trailer bodies used in TOFC/COFC service which are permanently mounted on running gear. "Containers" means trailer bodies used in TOFC/COFC service which are not permanently mounted on wheels or chassis, but are separated from such running gear before being loaded on flat cars.

Item No. 2. Account 37 Roadway Machines. The text of this account is amended by adding the following sentence: "* * * This account shall also include the cost of on and/or off-track automotive vehicles, permanently equipped with special-purpose machinery such as hydraulic cranes, derricks, ditching apparatus, pile-driving equipment, and similar machines listed below, and used exclusively in maintenance of way and structures."

* * * * *

Item No. 3. Account 51 Steam Locomotives. This account is deleted.

Item No. 4. Account 52 Other Locomotives. The title and text of this account are revised to read as follows:

52 Locomotives.

(a) This account shall include the cost of locomotives and tenders purchased or built by the carrier, and of appurtenances, furniture, and fixtures necessary to equip them for service, including the cost of inspection, setting up, and trying out after receipt from builders, and transportation charges to the carrier's line.

(b) Records shall be maintained to reflect separately the investment cost of locomotives on the basis of their initial identification for depreciation purposes; i.e., road passenger, road freight, road switching and yard switching.

LIST OF APPURTENANCES TO LOCOMOTIVES

Air brake equipment and hose.
Arm rests.
Awnings.
Brake fixtures.
Cab cushions.
Cab lamps.
Clocks.
Coal boards.
Fire-extinguishing apparatus.
Gongs.
Headlamps.
Metallic packing.
Pneumatic sanding equipment.
Radio equipment, permanently attached.
Seat boxes.
Signal lamps.
Speed recorders.
Steam-gauge lamps.
Steam-heat equipment and hose.
Storm doors.
Tool boxes.
Train-signal equipment and hose.

NOTE: Cars with motor equipment are not to be classed as locomotives.

Item No. 5. The system of accounts following the text of account 54, "Passenger-train cars", is amended by adding the following account number, title, and text:

55 Highway Revenue Equipment.

(a) This account shall include the cost of highway vehicles used in revenue transportation service, including pickup and delivery service, substitute line-haul service, and TOFC/COFC service; also the cost of appurtenances (such as radio communication equipment) necessary to equip them for service, and the inspection and transportation costs and charges required for delivery of the vehicles into the carrier's revenue service.

(b) Records shall be maintained to identify the carrier's investment in the following items:

LIST OF HIGHWAY REVENUE EQUIPMENT

Bogies.
Buses.
Chassis.
Containers.
Semi-trailers.
Tractors.
Trailers.
Trucks.

(c) The cost of trucks and tractors, which are used exclusively at TOFC/COFC terminals for loading and unloading trailers and containers on and from flat cars shall be charged to account 25, "TOFC/COFC terminals".

Item No. 6. Account 58 Miscellaneous Equipment. The text of this account is revised to read as follows:

58 Miscellaneous Equipment.

(a) This account shall include the cost of automobiles, trucks and other highway equipment not used in revenue transportation service and not provided for elsewhere; the cost of airplanes; the cost of appurtenances (such as radio communication equipment) necessary to equip them for service; and the inspection and transportation costs and charges required for delivery of the vehicles to the carrier.

(b) The cost of on and/or off-track automotive vehicles, which are permanently equipped with special-purpose machinery and used exclusively in maintenance of way and structures, shall be charged to account 37, "Roadway machines".

III. TEXTS OF REVENUE ACCOUNTS AMENDED

Item No. 1. Account 101 Freight. The text of this account is amended by supplementing the lists of items to be credited and charged, following paragraph (c), and revising "Note G" as follows:

ITEMS TO BE CREDITED

* * * * *

(j) Revenue from transportation of trailers and containers on flat cars in TOFC/COFC service upon the basis of all-rail line-haul freight tariff rates and under arrangements for motor carrier-railroad joint haul, and from the loading and unloading of trailers and containers on and from flat cars upon the basis of tariff rates and under arrangements for motor carrier-railroad joint haul.

* * * * *

ITEMS TO BE CHARGED

(1) Amounts paid to motor truck companies for hauling trailers and containers to and from TOFC/COFC terminals, and allowances to shippers who perform such service on the basis of tariff rates.

* * * * *

NOTE G: This account shall be maintained so as to show separately payments and allowances for (a) terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates, further separated between (1) TOFC/COFC service, and (2) all other freight service; also (b) payments for switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement, and (c) payments on basis of tariff rates for loading and unloading livestock.

Item No. 2. Account 137 Demurrage. The text of this account is amended by adding the following sentence and "Note":

137 Demurrage.

* * * This account shall also include the revenue from the detention of trailers and containers used in TOFC/COFC service, incident to loading and unloading, upon the basis of tariff rates.

NOTE: This account shall be maintained so as to reflect separately (1) revenue from detention of cars, and (2) revenue from detention of trailers and containers used in TOFC/COFC service.

IV. TEXTS OF MAINTENANCE OF WAY AND STRUCTURES ACCOUNTS ADDED AND AMENDED

Item No. 1. Account 202 Roadway Maintenance. The text of this account is amended by revising "Note B" as follows:

* * * * *

NOTE B. Loading ashes at engineyard tracks shall be charged to the expense accounts for servicing locomotives.

* * * * *

Item No. 2. Account 218 Ballast. The text of this account is amended by revising the first sentence of "Note A" as follows:

* * * * *

NOTE A: The cost of loading cinders at ash pits shall be charged to account 388, "Servicing yard locomotives", or account 400, "Servicing train locomotives", as appropriate. * * *

* * * * *

Item No. 3. The system of accounts following the text of account 243, "Coal and ore wharves", is amended by adding the following account number, title and text:

244 TOFC/COFC Terminals.

(a) This account shall include the cost of repairing TOFC/COFC terminal structures, fixtures, machinery and appurtenances.

(b) A list of TOFC/COFC terminal structures and appurtenances appears in property account 25, "TOFC/COFC terminals."

V. TEXT OF MAINTENANCE OF EQUIPMENT ACCOUNTS ADDED, AMENDED, DELETED, AND REVISED

Item No. 1. Account 308 Steam Locomotives; Repairs. This account is deleted.

Item No. 2. Account 311 Other Locomotives; Repairs. The title and text of this account are revised to read as follows:

311 Locomotives; Repairs.

(a) This account shall include the cost of repairing transportation service locomotives and tenders, including appurtenances; the cost of inspecting and lubricating locomotives; also the cost of small hand tools, materials, lubricants and supplies used in repairs and other related expense items. This account shall also include the cost of work train service for the transportation of locomotives without power to shops for repairs, including the pay and expenses of caretakers, and the pay and expenses of caretakers of locomotives without power which are hauled in transportation service trains to shops for repairs; also notarial fees in connection with reports on conditions of locomotives.

(b) A list of locomotive appurtenances appears in property account 52, "Locomotives".

NOTE A: The cost of repairing locomotives and tenders of foreign lines, waybilled as freight and damaged in transit, shall be charged to acount 418, "Loss and damage; Freight"; and the cost of repairing locomotives and tenders of foreign lines having trackage rights over the carrier's line, damaged by collision, wreck, or other cause for which the carrier is liable, shall be charged to account 416, "Damage to property".

NOTE B: The cost of running locomotives under power to shops for repairs in connection with transportation service shall be included in the cost of the service in connection with which the movement occurs.

NOTE C: The cost of repairing locomotives used solely in work service in connection with operations shall be included in account 326, "Work equipment; Repairs". The cost of repairing locomotives on account of construction work shall be included in the cost of the work.

Item No. 3. Account 314 Freight-train Cars; Repairs. The text of this account is amended by revising the first sentence of paragraph (a) and adding paragraph (c) and "Note C" as follows:

314 Freight-Train Cars; Repairs.

(a) This account shall include the cost of repairing freight-train cars and appurtenances, and the cost of repairing motor equipment affixed to freight-train cars engaged in transportation service; the cost of car inspection, such as checking for mechanical defects and making repairs, and inspecting, repacking and oiling car journal boxes and air brake equipment; also the cost of small hand tools, materials, lubricants and supplies used in repairs, and other related expense items. * * *

* * * * *

(c) This account shall be maintained so as to reflect separately (1) cost of car inspection, and (2) other freight-train car repair costs.

* * * * *

NOTE C: "Waybilled as freight" refers to equipment for which a tariff charge is made independent of any load.

Item No. 4. Account 317 Passenger-train Cars; Repairs. The text of this account is amended by revising paragraph (a) and adding paragraph (c) and "Note C" as follows:

317 Passenger-Train Cars; Repairs.

(a) This account shall include the cost of repairing passenger-train cars and appurtenances and the cost of repairing motor equipment affixed to passenger-train cars used in transportation service; the net loss sustained on account of the destruction of foreign passenger-train cars in the carrier's transportation service; amounts paid to others for repairs of passenger-train cars for which the carrier is liable; the cost of car inspection, such as checking for mechanical defects and making repairs, and inspecting, repacking and oiling car journal boxes and air brake equipment; also the cost of small hand tools, materials, lubricants and supplies used in repairs, and other related expense items.

* * * * *

(c) This acount shall be maintained so as to reflect separately (1) cost of car inspection, and (2) other passenger-train car repair costs.

* * * * *

NOTE C: "Waybilled as freight" refers to equipment for which a tariff charge is made independent of any load.

Item No. 5. The system of acounts following the text of account 317, "Passenger-train cars; Repairs", is amended by adding the following account number, title and text:

318 Highway Revenue Equipment; Repairs.

(a) This account shall include the cost of repairing highway revenue equipment and appurtenances; the cost of related towing and wrecker services; also the cost of small hand tools, materials, lubricants, and supplies used in repairs, and other related expense items. This account shall also include the net loss sustained on account of the destruction of foreign highway revenue equipment in the carrier's transportation service, and payments to others for repairs of highway revenue equipment for which the carrier is liable.

(b) A list of highway revenue equipment appears in property account 55, "Highway revenue equipment".

NOTE: A: The cost of repairing highway revenue equipment of foreign lines, waybilled as freight and damaged in transit, shall be charged to account 418, "Loss and damage; Freight"; and the cost of repairing highway revenue equipment of foreign lines having trackage rights over the carrier's line, when damaged by collision, wreck or other cause for which the carrier is liable, shall be charged to account 416, "Damage to property".

NOTE B: "Waybilled as freight" refers to equipment for which a tariff charge is made independent of any load.

Item No. 6. Account 328 Miscellaneous Equipment; Repairs. The text of this account is revised to read as follows:

328 Miscellaneous Equipment; Repairs.

This account shall include the cost of repairing miscellaneous equipment and appurtenances (see account 58, "Miscellaneous equipment"); the cost of related towing and wrecker services; also the cost of small hand tools, materials, lubricants and supplies used in repairs, and other related expense items.

Item No. 7. Account 331 Equipment; Depreciation. The text of this account is revised to read as follows:

331 Equipment; Depreciation.

This account shall include the amount of depreciation charges applicable to the accounting period for all classes of equipment the ledger value of which is includible in accounts 52 through 58.

VI. TEXTS OF TRANSPORTATION EXPENSE ACCOUNTS AMENDED AND DELETED

Item No. 1. The following accounts are deleted:

385 Water for yard locomotives.
386 Lubricants for yard locomotives.
387 Other supplies for yard locomotives.

Item No. 2. Account 388 Enginehouse Expenses; Yard. The title and text of this account are revised as follows:

388 Servicing Yard Locomotives.

This account shall include the expense of preparing locomotives for switching service in yards where regular switching service is maintained and in terminal switching and transfer service, including a proportion of such expenses as are common to train, yard switching and work service.

(a) *Employees.* The pay of enginehouse and other employees engaged in wiping, cleaning, watching and dispatching locomotives; keeping and preparing fires, dumping ashes and washing boilers; cleaning fireboxes, smokestacks, air brake equipment, ash and cinder pits; watering locomotives; checking locomotive tool equipment; operating turntables and drying sand; calling enginemen, and moving locomotives around engine yards when operated by hostlers; also a proportion of the pay of enginehouse foremen and their clerks and other related supervisory costs.

(b) *Miscellaneous expenses.* The cost of supplies and sundry expenses on account of preparing locomotives.

ITEMS OF MISCELLANEOUS EXPENSES

Compounds for cleaning and polishing.
Enginehouse cupboards.
Heating enginehouses, including offices.
Lanterns used by enginehouse men.
Lighting enginehouses, including offices.
Lubricating oil for enginehouse, ash pit, transfer table and turntable machinery.
Power for operation of turntables and transfer tables.
Rent of roundhouse stalls.
Sand, and materials and supplies for drying sand, for locomotives.
Signal lights on transfer tables and turntables.
Waste.
Water for locomotives, cinder pits and washing boilers.

NOTE A: Enginehouse expenses of locomotives in work service shall be included in the cost of the work to which the service pertains.

NOTE B: The pay of mechanics and laborers engaged in locomotive repair work in enginehouses shall be charged to the appropriate maintenance account for locomotives.

NOTE C: Where the quantity of sand used on locomotives engaged in yard service is relatively small as compared with the quantity used by locomotives engaged in train service, the entire cost of such material shall be included in account 400, "Servicing train locomotives". Where the quantity used in yard service is relatively large, the entire cost shall be included in this account.

NOTE D: The cost of supplies consumed by locomotives engaged in more than one class of service shall be apportioned upon the basis of service rendered. The entire cost of supplies consumed by train locomotives in train switching service shall be included in account 400, "Servicing train locomotives". The cost of supplies consumed by locomotives in work service shall be included in the cost of the work to which the service pertains.

Item No. 3. The following accounts are deleted:

397 Water for train locomotives.
398 Lubricants for train locomotives.
399 Other supplies for train locomotives.

Item No. 4. Account 400 Enginehouse Expenses; Train. The title and text of this account are revised as follows:

400 Servicing Train Locomotives.

This account shall include the expense of preparing locomotives for transportation train service, including a proportion of such expenses as are common to train, yard switching and work service.

(a) *Employees.* The pay of enginehouse and other employees engaged in wiping, cleaning, watching, and dispatching locomotives; keeping and preparing fires, dumping ashes and washing boilers; cleaning fireboxes, smokestacks, air brake equipment, ash and cinder pits; watering locomotives; operating turntables and drying sand; calling enginemen, and moving locomotives around engine yards when operated by hostlers; also a proportion of the pay of enginehouse foremen and their clerks and other related supervisory costs.

(b) *Miscellaneous expenses.* The cost of supplies and sundry expenses on account of preparing locomotives.

ITEMS OF MISCELLANEOUS EXPENSES

Compounds for cleaning and polishing.
Enginehouse cupboards.
Heating enginehouses, including offices.
Lanterns used by enginehouse men.
Lighting enginehouses, including offices.
Lubricating oil for enginehouse, ash pit, transfer table and turntable machinery.
Power for operation of turntables and transfer tables.
Rent of roundhouse stalls.
Sand, and materials and supplies for drying sand, for locomotives.
Signal lights on transfer tables and turntables.
Waste.
Water for locomotives, cinder pits and washing boilers.

NOTE A: Enginehouse expenses of locomotives in work service shall be included in the cost of the work to which the service pertains.

NOTE B: The pay of mechanics and laborers engaged in locomotive repair work in enginehouses shall be charged to the appropriate maintenance account for locomotives.

NOTE C: When the quantity of sand used on locomotives engaged in train service is relatively small as compared with the quantity used on locomotives engaged in yard service, the entire cost of such material shall be included in account 388, "Servicing yard locomotives". Where the quantity used in train service is relatively large, the entire cost shall be included in this account.

NOTE D: The cost of supplies consumed by locomotives engaged in more than one class of service shall be apportioned on the basis of service rendered. The entire cost of supplies consumed by yard locomotives in yard switching service and in terminal switching and transfer service shall be included in account 388, "Servicing yard locomotives". The cost of supplies consumed by locomotives in work service shall be included in the cost of the work to which the service pertains.

Item No. 5. Account 402 Train Supplies and Expenses. The text of this account is amended by revising paragraph (d) as follows:

402 Train Supplies and Expenses.

* * * * *

(d) *Inspecting cars.* The cost of inspecting cars in transportation train service such as coupling air hoses, testing air or bleeding train line, checking and carding cars for commodity loading, coopering, cleaning, etc., inspecting and adjusting lading, closing side doors and checking for right-of-way clearance.

* * * * *

Item No. 6. Account 418 Loss and Damage; Freight. The text of this account is amended by revising paragraph (a) as follows:

418 Loss and Damage; Freight.

(a) This account shall include payments and expenses on account of loss, destruction, damage, or delays to revenue freight shipments, including locomotives, cars and highway revenue equipment transported as freight, express matter, milk shipments, and livestock, and expenses incurred on account of such payments; also expenses on account of loss, destruction or damage to shipments of company material.

* * * * *

Item No. 7. The system of accounts following the text of account 420, "Injuries to persons", is amended by adding the following account numbers, titles and texts:

421 TOFC/COFC Terminals.

This account shall include the cost of operating TOFC/COFC terminals in connection with the transportation of trailers and containers on flat cars.

(a) *Employees.* The pay of tractor drivers, crane operators and other employees, or compensation to others, engaged in loading or unloading trailers and containers on and from flat cars; and the pay of other employees engaged in operating TOFC/COFC terminals.

(b) *Terminal expenses.* The cost of heating and lighting TOFC/COFC ter-

minals; building, equipment and other rentals; fuel, supplies and other related expense items.

422 Other Highway Transportation Expenses.

This account shall include all expenses in connection with highway revenue transportation not properly chargeable to other transportation accounts.

ITEMS OF EXPENSE

Pay of drivers, fuel, supplies and other direct expenses of operating highway revenue equipment.
Pay of employees engaged in loading and unloading freight on and from trailers and containers used in TOFC/COFC service at shippers' or consignees' premises.
Washing and cleaning highway revenue equipment.

VII. TEXTS OF INCOME ACCOUNTS AMENDED

Item No. 1. Account 503 Hire of Freight Cars; Credit Balance. This account is amended by revising the title, text and "Note A" and adding "Note D" as follows:

503 Hire of Freight Cars and Highway Revenue Freight Equipment; Credit Balance.

(a) This account shall include, except as provided in the texts of accounts 509, "Income from lease of road and equipment", and 542, "Rent for leased roads and equipment", the net credit balance of (1) amounts receivable accrued for the use of the accounting company's freight cars leased or interchanged, and highway revenue freight equipment, over (2) amounts payable accrued for the use of the freight cars of others leased or interchanged, and highway revenue freight equipment of others.

(b) This account shall be maintained so as to reflect separately the net credit balance applicable to (1) rent from freight-train cars, and (2) rent from highway revenue freight equipment.

NOTE A: If the net balance is a debit, it shall be included in account 536, "Hire of freight cars and highway revenue freight equipment; Debit balance".

* * * * *

NOTE D: Rent from the use of highway equipment recorded in account 58, "Miscellaneous equipment", shall be included in account 510, "Miscellaneous rent income".

Item No. 2. Account 536 Hire of Freight Cars; Debit Balance. This account is amended by revising the title, text and "Note A" and adding "Note E" as follows:

536 Hire of Freight Cars and Highway Revenue Freight Equipment; Debit Balance.

(a) This account shall include, except as provided in the classification for investment in road and equipment and in the texts of accounts 509, "Income from lease of road and equipment", and 542, "Rent for leased roads and equipment", the net debit balance of (1) amounts receivable accrued for the use of the accounting company's freight cars leased or interchanged, and highway revenue freight equipment, under (2) amounts payable accrued for the use of the freight cars of others leased or interchanged, and highway revenue freight equipment of others.

(b) This account shall be maintained so as to reflect separately the net debit balance applicable to (1) rent for freight-train cars, and (2) rent for highway revenue freight equipment.

NOTE A: If the net balance is a credit, it shall be included in account 503, "Hire of freight cars and highway revenue freight equipment; Credit balance".

* * * * *

NOTE E: Rent paid for highway equipment not used in revenue transportation service and not provided for elsewhere shall be charged to account 543, "Miscellaneous rents". Rent paid for highway equipment used in construction work shall be included in the cost of the work.

VIII. FORM OF INCOME STATEMENT AMENDED

"599 Form of Income Statement" is amended as follows:

Item No. 1. Line item "503 Hire of freight cars—Credit balance" is changed to:

503 Hire of freight cars and highway revenue freight equipment—Credit balance.

Item No. 2. Line item "536 Hire of freight cars—Debit balance" is changed to:

536 Hire of freight cars and highway revenue freight equipment—Debit balance.

IX. MISCELLANEOUS AMENDMENTS

Item No. 1. The list of "Property Accounts" is amended as follows:

(a) Directly below "24 Coal and ore wharves" add:

25 TOFC/COFC terminals.

(b) Line item "51 Steam locomotives" is deleted.

(c) Line item "52 Other locomotives" is changed to:

52 Locomotives.

(d) Directly below "54 Passenger-train cars" add:

55 Highway revenue equipment.

Item No. 2. The list of "Railway Operating Expense Accounts" is amended as follows:

(a) Directly below "243 Coal and ore wharves" add:

244 TOFC/COFC terminals.

(b) Line item "311 Other Locomotives; repairs" is changed to:

311 Locomotives; repairs.

(c) Directly below "317 Passenger-train cars; repairs" add:

318 Highway revenue equipment; repairs.

(d) Line item "388 Enginehouse expenses; yard" is changed to:

388 Servicing yard locomotives.

(e) Line item "400 Enginehouse expenses; train" is changed to:

400 Servicing train locomotives.

(f) The following line items are added directly below "420 Injuries to persons":

421 TOFC/COFC terminals.
422 Other highway transportation expenses.

(g) The following line items are deleted:

308 Steam locomotives; repairs.
385 Water for yard locomotives.
386 Lubricants for yard locomotives.
387 Other supplies for yard locomotives.
397 Water for train locomotives.
398 Lubricants for train locomotives.
399 Other supplies for train locomotives.

Item No. 3. The list of "Income Accounts" is amended by revising the following line items:

(a) "503 Hire of freight cars; credit balance" is changed to:

503 Hire of freight cars and highway revenue freight equipment; credit balance.

(b) "536 Hire of freight cars; debit balance" is changed to:

536 Hire of freight cars and highway revenue freight equipment; debit balance.

Item No. 4. 480 Accounts for Small Carriers, Class II. The "Condensed Classification of Operating Expenses" is amended as follows:

(a) The listing "Accounts for Small Carriers—Class II" is revised as follows:

(1) Line item "2226 Car repairs" is changed to:

2226 Car and highway revenue equipment repairs.

(2) Line item "2255 Other rail transportation expenses" is changed to:

2255 Other rail and highway transportation expenses.

(b) The listing "Accounts for Large Carriers—Class I" is amended as follows:

(1) Directly below "243 Coal and ore wharves" add the following (includible in the account grouping "2203. Maintaining structures".):

244 TOFC/COFC terminals.

(2) Line item "311 Other locomotives—Repairs" is changed to:

311 Locomotives—Repairs.

(3) Directly below "317 Passenger-train cars—Repairs" add the following (includible in the account grouping "2226. Car and highway revenue equipment repairs".):

318 Highway revenue equipment—Repairs.

(4) Line item "388 Enginehouse expenses—Yard" is changed to:

388 Servicing yard locomotives.

(5) Line item "400 Enginehouse expenses—Train" is changed to:

400 Servicing train locomotives.

(6) Directly below "376 Station supplies and expenses" add the following (includible in account grouping "2242. Station service".):

421 TOFC/COFC terminals.

(7) Directly below "411 Other expenses" add the following (includible in account grouping "2255. Other rail and highway transportation expenses".):

422 Other highway transportation expenses.

(8) The following line items are deleted:

308 Steam locomotives—Repairs.
385 Water for yard locomotives.
386 Lubricants for yard locomotives.
387 Other supplies for yard locomotives.
397 Water for train locomotives.
398 Lubricants for train locomotives.
399 Other supplies for train locomotives.

[F.R. Doc. 71-77; Filed, Jan. 4, 1971; 8:49 a.m.]

Proposed Rule Making

FEDERAL POWER COMMISSION

[18 CFR Part 154]

[Docket No. AR61–2, etc.]

AREA RATE PROCEEDINGS (SOUTHERN LOUISIANA AREA)

Order Reopening and Consolidating Area Rate Proceedings and Establishing Procedures

DECEMBER 24, 1970.

On September 25, 1968, and March 20, 1969, respectively, the Commission issued in Docket No. AR61–2 et al. Opinions Nos. 546 (40 FPC 530) and 546–A (41 FPC 301) setting just and reasonable rates for jurisdictional sales of natural gas in southern Louisiana. Those orders were appealed to the U.S. Court of Appeals for the Fifth Circuit, which handed down its decision on March 19, 1970. The court affirmed but stated: "The mandate of this court should not, however, be interpreted to interfere with Commission action that would change the rates we have approved here." Austral Oil Co. v. F.P.C., 428 F. 2d 407, 444–5 (CA5 1970) (hereinafter Austral). This statement of the Commission's continuing jurisdiction over the AR61–2 et al. rates was reaffirmed by the Fifth Circuit in its decision on petition for rehearing issued June 16, 1970. The court there stated: "We wish to make crystal clear the authority of the Commission in this case to reopen any part of its order that circumstances require be reopened. * * * The Commission can make retrospective as well as prospective adjustments in this case if it finds that it is in the public interest to do so." (Austral Oil Co. v. F.P.C., —— F. 2d ——, Fifth Circuit, slip opinion dated June 16, 1970, mimeo page 2). A number of parties to the AR61–2 et al proceedings filed petitions for certiorari requesting the Supreme Court to review the decision of the Fifth Circuit. On December 7, 1970, the Supreme Court denied all such petitions.

In Opinion No. 546, ordering paragraph (H), we left the proceedings in Docket No. AR61–2 et al. open for such further action as may be necessary with respect to individual respondents and such other action as may be necessary in the premises. Thereafter, in Opinion No. 546–A, ordering paragraphs (L) and (M), we denied motions of certain respondents to reopen the record in these proceedings for the receipt of additional evidence and to reopen and consolidate these proceedings with the proceedings in Docket No. AR69–1.

In light of the decision in Austral, we believe it is in the public interest that Docket No. AR61–2 et al. be reopened and consolidated with the second round area rate proceeding in southern Louisiana, Docket No. AR69–1, which is now in hearing, so that the parties may be given an opportunity to submit, if they so desire, relevant evidence concerning whether the rates established in Opinions Nos. 546 and 546–A should be changed in light of the criteria set forth in Austral. The motion of producer respondents filed herein on July 2, 1970, requesting that the proceedings in Docket No. AR61–2 et al. be reopened and consolidated with the proceeding in Docket No. AR69–1 will therefore be granted.

In a related development the United Distribution Companies filed on November 6, 1970 in Dockets Nos. AR61–2 et al. and AR69–1 a motion for promulgation by the Commission of a settlement proposal, and for approval thereof, pursuant to § 1.12 of the rules of practice and procedure. The settlement proposal includes issues in Dockets Nos. AR61–2 et al and AR69–1. A notice of the motion for promulgation of the settlement was issued by the Commission on November 9, 1970. Comments have been filed in response thereto. The settlement proposal will be incorporated and thereby made a part of the consolidated proceedings in Dockets Nos. AR61–2 et al. and AR69–1.

On July 2, 1970 we issued an order in Docket No. AR61–2 et al. continuing the stay of our rate orders in Opinion No. 546, as amended, until further order of the Commission. We believe it remains in the public interest to stay any rate reductions, refunds or other obligations required to be made by that opinion.

The Commission finds: It is necessary and appropriate in the public interest and for carrying out the provisions of the Natural Gas Act that the area rate proceedings in Docket No. AR61–2 et al., be reopened and consolidated with the proceeding in Docket No. AR69–1 and that the stay of our rate orders in Opinion No. 546, as amended, be continued.

The Commission orders:

(A) The motion of producer respondents filed herein on July 2, 1970, requesting the proceedings in Docket No. AR61–2 et al., be reopened and consolidated with the proceeding in Docket No. AR69–1 is hereby and to that extent granted.

(B) All evidence submitted in the consolidated proceeding shall be filed on or before February 15, 1971.

(C) Appendix A to the Motion of United Distribution Companies For Promulgation of Settlement Proposal, filed November 6, 1970, is hereby incorporated and made a part of the record in the consolidated proceedings.

(D) Any rate reductions, refunds or other obligations required to be made in Opinion No. 546, as amended, are hereby stayed until further order of this Commission.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Acting Secretary.*

[F.R. Doc. 71–60; Filed, Jan. 4, 1971; 8:51 a.m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR Part 525]

EMPLOYMENT OF HANDICAPPED CLIENTS IN SHELTERED WORKSHOPS

Change in Conditions for Renewal of Special Certificates

Pursuant to authority in section 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 214), Reorganization Plan No. 6 of 1950, (3 CFR 1949–53 Comp. p. 1004), and 29 CFR 525.19, I propose to amend Part 525 of Title 29 of the Code of Federal Regulations. This amendment would provide for a simplified procedure for the renewal of special certificates for the employment of handicapped clients in sheltered workshops at special minimum wages.

Part 525 provides for applications for several different types of special certificates. Experience under these regulations indicates that requiring an application for the renewal of a special certificate may require different data from that needed for an original application. Accordingly, this proposal would amend 29 CFR Part 525 to eliminate the requirement in § 525.10(a) that an application for renewal of a special certificate be filed in the same manner as an original application.

Interested persons are invited to submit written data, views, or arguments regarding the proposed amendment to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, D.C. 20210, within 30 days after the date of publication of this notice in the FEDERAL REGISTER.

Section 525.10(a) would be amended to read as follows:

§ 525.10 Renewal of special certificates.

(a) Application may be filed for renewal of any special certificate.

* * * * *

(Sec. 14, 52 Stat. 1068 as amended; 29 U.S.C. 214)

Signed at Washington, D.C., this 30th day of December 1970.

ROBERT D. MORAN, *Administrator, Wage and Hour Division, U.S. Department of Labor.*

[F.R. Doc. 71–95; Filed, Jan. 4, 1971; 8:51 a.m.]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 1]

INCOME TAX

Revision of Rates

Notice is hereby given that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] RANDOLPH W. THROWER,
Commissioner of Internal Revenue.

In order to conform the Income Tax Regulations (26 CFR Part 1) under sections 1, 2, 3, 6014(a), 511(b)(1), 632, 641, 1347, 5(b) (1) and (5), 6015(a)(1), 1304 (b)(1) of the Internal Revenue Code of 1954 to section 111 of the Revenue Act of 1964 (78 Stat. 19), and to section 803 (a)–(d) of the Tax Reform Act of 1969 (83 Stat. 487), such regulations are amended as follows:

PARAGRAPH 1. Section 1.1 is amended by revising subsections (a) and (b)(1) of section 1 to reflect the changes made by section 111 of the Revenue Act of 1964, by deleting from section 1.1 subsections (b) (2), (3), and (4) of section 1, by adding a historical note, by adding thereafter section 1 as amended by section 803(a) of the Tax Reform Act of 1969 and by adding a historical note. These amended and added provisions read as follows:

§ 1.1 Statutory provisions; tax imposed.

SECTION 1. *Tax imposed*—(a) *Rates of tax on individuals*—(1) *Taxable years beginning in 1964.* In the case of a taxable year beginning on or after January 1, 1964, and before January 1, 1965, there is hereby imposed on the taxable income of every individual (other than a head of a household to whom subsection (b) applies) a tax determined in accordance with the following table:

If the taxable income is:	The tax is:
Not over $500	16% of the taxable income.
Over $500 but not over $1,000	$80, plus 16.5% of excess over $500.
Over $1,000 but not over $1,500	$162.50, plus 17.5% of excess over $1,000.
Over $1,500 but not over $2,000	$250, plus 18% of excess over $1,500.
Over $2,000 but not over $4,000	$340, plus 20% of excess over $2,000.
Over $4,000 but not over $6,000	$740, plus 23.5% of excess over $4,000.
Over $6,000 but not over $8,000	$1,210, plus 27% of excess over $6,000.
Over $8,000 but not over $10,000	$1,750, plus 30.5% of excess over $8,000.
Over $10,000 but not over $12,000	$2,360, plus 34% of excess over $10,000.
Over $12,000 but not over $14,000	$3,040, plus 37.5% of excess over $12,000.
Over $14,000 but not over $16,000	$3,790, plus 41% of excess over $14,000.
Over $16,000 but not over $18,000	$4,610, plus 44.5% of excess over $16,000.
Over $18,000 but not over $20,000	$5,500, plus 47.5% of excess over $18,000.
Over $20,000 but not over $22,000	$6,450, plus 50.5% of excess over $20,000.
Over $22,000 but not over $26,000	$7,460, plus 53.5% of excess over $22,000.
Over $26,000 but not over $32,000	$9,600, plus 56% of excess over $26,000.
Over $32,000 but not over $38,000	$12,960, plus 58.5% of excess over $32,000.
Over $38,000 but not over $44,000	$16,470, plus 61% of excess over $38,000.
Over $44,000 but not over $50,000	$20,130, plus 63.5% of excess over $44,000.
Over $50,000 but not over $60,000	$23,940, plus 66% of excess over $50,000.
Over $60,000 but not over $70,000	$30,540, plus 68.5% of excess over $60,000.
Over $70,000 but not over $80,000	$37,390, plus 71% of excess over $70,000.
Over $80,000 but not over $90,000	$44,490, plus 73.5% of excess over $80,000.
Over $90,000 but not over $100,000	$51,840, plus 75% of excess over $90,000.
Over $100,000 but not over $200,000	$59,340, plus 76.5% of excess over $100,000.
Over $200,000	$135,840, plus 77% of excess over $200,000.

(2) *Taxable years beginning after December 31, 1964.* In the case of a taxable year beginning after December 31, 1964, there is hereby imposed on the taxable income of every individual (other than a head of a household to whom subsection (b) applies) a tax determined in accordance with the following table:

If the taxable income is:	The tax is:
Not over $500	14% of the taxable income.
Over $500 but not over $1,000	$70, plus 15% of excess over $500.
Over $1,000 but not over $1,500	$145, plus 16% of excess over $1,000.
Over $1,500 but not over $2,000	$225, plus 17% of excess over $1,500.
Over $2,000 but not over $4,000	$310, plus 19% of excess over $2,000.
Over $4,000 but not over $6,000	$690, plus 22% of excess over $4,000.
Over $6,000 but not over $8,000	$1,130, plus 25% of excess over $6,000.
Over $8,000 but not over $10,000	$1,630, plus 28% of excess over $8,000.
Over $10,000 but not over $12,000	$2,190, plus 32% of excess over $10,000.
Over $12,000 but not over $14,000	$2,830, plus 36% of excess over $12,000.
Over $14,000 but not over $16,000	$3,550, plus 39% of excess over $14,000.
Over $16,000 but not over $18,000	$4,330, plus 42% of excess over $16,000.
Over $18,000 but not over $20,000	$5,170, plus 45% of excess over $18,000.
Over $20,000 but not over $22,000	$6,070, plus 48% of excess over $20,000.
Over $22,000 but not over $26,000	$7,030, plus 50% of excess over $22,000.
Over $26,000 but not over $32,000	$9,030, plus 53% of excess over $26,000.
Over $32,000 but not over $38,000	$12,210, plus 55% of excess over $32,000.
Over $38,000 but not over $44,000	$15,510, plus 58% of excess over $38,000.
Over $44,000 but not over $50,000	$18,990, plus 60% of excess over $44,000.
Over $50,000 but not over $60,000	$22,590, plus 62% of excess over $50,000.
Over $60,000 but not over $70,000	$28,790, plus 64% of excess over $60,000.
Over $70,000 but not over $80,000	$35,190, plus 66% of excess over $70,000.
Over $80,000 but not over $90,000	$41,790, plus 68% of excess over $80,000.
Over $90,000 but not over $100,000	$48,590, plus 69% of excess over $90,000.
Over $100,000	$55,490, plus 70% of excess over $100,000.

(b) *Rates of tax on heads of households*—(1) *Rates of tax*—(A) *Taxable years beginning in 1964.* In the case of a taxable year beginning on or after January 1, 1964, and before January 1, 1965, there is hereby imposed on the taxable income of every individual who is the head of a household a tax determined in accordance with the following table:

If the taxable income is:	The tax is:
Not over $1,000	16% of the taxable income.
Over $1,000 but not over $2,000	$160, plus 17.5% of excess over $1,000.
Over $2,000 but not over $4,000	$335, plus 19% of excess over $2,000.
Over $4,000 but not over $6,000	$715, plus 22% of excess over $4,000.
Over $6,000 but not over $8,000	$1,155, plus 23% of excess over $6,000.
Over $8,000 but not over $10,000	$1,615, plus 27% of excess over $8,000.
Over $10,000 but not over $12,000	$2,155, plus 29% of excess over $10,000.
Over $12,000 but not over $14,000	$2,735, plus 32% of excess over $12,000.
Over $14,000 but not over $16,000	$3,375, plus 34% of excess over $14,000.
Over $16,000 but not over $18,000	$4,055, plus 37.5% of excess over $16,000.
Over $18,000 but not over $20,000	$4,805, plus 39% of excess over $18,000.
Over $20,000 but not over $22,000	$5,585, plus 42.5% of excess over $20,000.
Over $22,000 but not over $24,000	$6,435, plus 43.5% of excess over $22,000.
Over $24,000 but not over $26,000	$7,305, plus 45.5% of excess over $24,000.
Over $26,000 but not over $28,000	$8,215, plus 47% of excess over $26,000.

If the taxable income is:	The tax is:
Over $28,000 but not over $32,000	$9,155, plus 48.5% of excess over $28,000.
Over $32,000 but not over $36,000	$11,095, plus 51.5% of excess over $32,000.
Over $36,000 but not over $38,000	$13,155, plus 53% of excess over $36,000.
Over $38,000 but not over $40,000	$14,215, plus 54% of excess over $38,000.
Over $40,000 but not over $44,000	$15,295, plus 56% of excess over $40,000.
Over $44,000 but not over $50,000	$17,535, plus 58.5% of excess over $44,000.
Over $50,000 but not over $52,000	$21,045, plus 59.5% of excess over $50,000.
Over $52,000 but not over $60,000	$22,235, plus 61% of excess over $52,000.
Over $60,000 but not over $64,000	$27,115, plus 62% of excess over $60,000.
Over $64,000 but not over $70,000	$29,595, plus 63.5% of excess over $64,000.
Over $70,000 but not over $76,000	$33,405, plus 65% of excess over $70,000.
Over $76,000 but not over $80,000	$37,305, plus 66% of excess over $76,000.
Over $80,000 but not over $88,000	$39,945, plus 67% of excess over $80,000.
Over $88,000 but not over $90,000	$45,305, plus 69% of excess over $88,000.
Over $90,000 but not over $100,000	$46,685, plus 69.5% of excess over $90,000.
Over $100,000 but not over $120,000	$53,635, plus 71% of excess over $100,000.
Over $120,000 but not over $140,000	$67,835, plus 72.5% of excess over $120,000.
Over $140,000 but not over $160,000	$82,335, plus 74% of excess over $140,000.
Over $160,000 but not over $180,000	$97,135, plus 75% of excess over $160,000.
Over $180,000 but not over $200,000	$112,135, plus 75.5% of excess over $180,000.
Over $200,000	$127,235, plus 77% of excess over $200,000.

(B) *Taxable years beginning after December 31, 1964.* In the case of a taxable year beginning after December 31, 1964, there is hereby imposed on the taxable income of every individual who is the head of a household a tax in accordance with the following table:

If the taxable income is:	The tax is:
Not over $1,000	14% of the taxable income.
Over $1,000 but not over $2,000	$140, plus 16% of excess over $1,000.
Over $2,000 but not over $4,000	$300, plus 18% of excess over $2,000.
Over $4,000 but not over $6,000	$660, plus 20% of excess over $4,000.
Over $6,000 but not over $8,000	$1,060, plus 22% of excess over $6,000.
Over $8,000 but not over $10,000	$1,500, plus 25% of excess over $8,000.
Over $10,000 but not over $12,000	$2,000, plus 27% of excess over $10,000.
Over $12,000 but not over $14,000	$2,540, plus 31% of excess over $12,000.
Over $14,000 but not over $16,000	$3,160, plus 32% of excess over $14,000.
Over $16,000 but not over $18,000	$3,800, plus 35% of excess over $16,000.
Over $18,000 but not over $20,000	$4,500, plus 36% of excess over $18,000.
Over $20,000 but not over $22,000	$5,220, plus 40% of excess over $20,000.
Over $22,000 but not over $24,000	$6,020, plus 41% of excess over $22,000.
Over $24,000 but not over $26,000	$6,840, plus 43% of excess over $24,000.
Over $26,000 but not over $28,000	$7,700, plus 45% of excess over $26,000.
Over $28,000 but not over $32,000	$8,600, plus 46% of excess over $28,000.
Over $32,000 but not over $36,000	$10,440, plus 48% of excess over $32,000.
Over $36,000 but not over $38,000	$12,360, plus 50% of excess over $36,000.
Over $38,000 but not over $40,000	$13,360, plus 52% of excess over $38,000.
Over $40,000 but not over $44,000	$14,400, plus 53% of excess over $40,000.
Over $44,000 but not over $50,000	$16,520, plus 55% of excess over $44,000.
Over $50,000 but not over $52,000	$19,820, plus 56% of excess over $50,000.
Over $52,000 but not over $64,000	$20,940, plus 58% of excess over $52,000.
Over $64,000 but not over $70,000	$27,900, plus 59% of excess over $64,000.
Over $70,000 but not over $76,000	$31,440, plus 61% of excess over $70,000.
Over $76,000 but not over $80,000	$35,100, plus 62% of excess over $76,000.
Over $80,000 but not over $88,000	$37,580, plus 63% of excess over $80,000.
Over $88,000 but not over $100,000	$42,620, plus 64% of excess over $88,000.
Over $100,000 but not over $120,000	$50,300, plus 66% of excess over $100,000.
Over $120,000 but not over $140,000	$63,500, plus 67% of excess over $120,000.
Over $140,000 but not over $160,000	$76,900, plus 68% of excess over $140,000.
Over $160,000 but not over $180,000	$90,500, plus 69% of excess over $160,000.
Over $180,000	$104,300, plus 70% of excess over $180,000.

* * * * * * *

[Sec. 1 as amended by sec. 111, Rev. Act 1964 (78 Stat. 19)]

SECTION 1. TAX IMPOSED.

(a) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—There is hereby imposed on the taxable income of—

(1) Every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and

(2) Every surviving spouse (as defined in section 2(a)),

A tax determined in accordance with the following table:

If the taxable income is:	The tax is:
Not over $1,000	14% of the taxable income.
Over $1,000 but not over $2,000	$140, plus 15% of excess over $1,000.
Over $2,000 but not over $3,000	$290, plus 16% of excess over $2,000.
Over $3,000 but not over $4,000	$450, plus 17% of excess over $3,000.
Over $4,000 but not over $8,000	$620, plus 19% of excess over $4,000.
Over $8,000 but not over $12,000	$1,380, plus 22% of excess over $8,000.
Over $12,000 but not over $16,000	$2,260, plus 25% of excess over $12,000.
Over $16,000 but not over $20,000	$3,260, plus 28% of excess over $16,000.
Over $20,000 but not over $24,000	$4,380, plus 32% of excess over $20,000.
Over $24,000 but not over $28,000	$5,660, plus 36% of excess over $24,000.
Over $28,000 but not over $32,000	$7,100, plus 39% of excess over $28,000.
Over $32,000 but not over $36,000	$8,660, plus 42% of excess over $32,000.
Over $36,000 but not over $40,000	$10,340, plus 45% of excess over $36,000.
Over $40,000 but not over $44,000	$12,140, plus 48% of excess over $40,000.
Over $44,000 but not over $52,000	$14,060, plus 50% of excess over $44,000.
Over $52,000 but not over $64,000	$18,060, plus 53% of excess over $52,000.
Over $64,000 but not over $76,000	$24,420, plus 55% of excess over $64,000.
Over $76,000 but not over $88,000	$31,020, plus 58% of excess over $76,000.
Over $88,000 but not over $100,000	$37,980, plus 60% of excess over $88,000.
Over $100,000 but not over $120,000	$45,180, plus 62% of excess over $100,000.
Over $120,000 but not over $140,000	$57,580, plus 64% of excess over $120,000.
Over $140,000 but not over $160,000	$70,380, plus 66% of excess over $140,000.
Over $160,000 but not over $180,000	$83,580, plus 68% of excess over $160,000.
Over $180,000 but not over $200,000	$97,180, plus 69% of excess over $180,000.
Over $200,000	$110,980, plus 70% of excess over $200,000.

(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of a household (as defined in section 2(b)) a tax determined in accordance with the following table:

If the taxable income is:	The tax is:
Not over $1,000	14% of the taxable income.
Over $1,000 but not over $2,000	$140, plus 16% of excess over $1,000.
Over $2,000 but not over $4,000	$300, plus 18% of excess over $2,000.
Over $4,000 but not over $6,000	$660, plus 19% of excess over $4,000.
Over $6,000 but not over $8,000	$1,040, plus 22% of excess over $6,000.
Over $8,000 but not over $10,000	$1,480, plus 23% of excess over $8,000.
Over $10,000 but not over $12,000	$1,940, plus 25% of excess over $10,000.
Over $12,000 but not over $14,000	$2,440, plus 27% of excess over $12,000.
Over $14,000 but not over $16,000	$2,980, plus 28% of excess over $14,000.
Over $16,000 but not over $18,000	$3,540, plus 31% of excess over $16,000.
Over $18,000 but not over $20,000	$4,160, plus 32% of excess over $18,000.
Over $20,000 but not over $22,000	$4,800, plus 35% of excess over $20,000.
Over $22,000 but not over $24,000	$5,500, plus 36% of excess over $22,000.
Over $24,000 but not over $26,000	$6,220, plus 38% of excess over $24,000.
Over $26,000 but not over $28,000	$6,980, plus 41% of excess over $26,000.
Over $28,000 but not over $32,000	$7,800, plus 42% of excess over $28,000.
Over $32,000 but not over $36,000	$9,480, plus 45% of excess over $32,000.
Over $36,000 but not over $38,000	$11,280, plus 48% of excess over $36,000.
Over $38,000 but not over $40,000	$12,240, plus 51% of excess over $38,000.
Over $40,000 but not over $44,000	$13,260, plus 52% of excess over $40,000.
Over $44,000 but not over $50,000	$15,340, plus 55% of excess over $44,000.
Over $50,000 but not over $52,000	$18,640, plus 56% of excess over $50,000.
Over $52,000 but not over $64,000	$19,760, plus 58% of excess over $52,000.
Over $64,000 but not over $70,000	$26,720, plus 59% of excess over $64,000.

If the taxable income is:	The tax is:
Over $70,000 but not over $76,000	$30,260, plus 61% of excess over $70,000.
Over $76,000 but not over $80,000	$33,920, plus 62% of excess over $76,000.
Over $80,000 but not over $88,000	$36,400, plus 63% of excess over $80,000.
Over $88,000 but not over $100,000	$41,440, plus 64% of excess over $88,000.
Over $100,000 but not over $120,000	$49,120, plus 66% of excess over $100,000.
Over $120,000 but not over $140,000	$62,320, plus 67% of excess over $120,000.
Over $140,000 but not over $160,000	$75,720, plus 68% of excess over $140,000.
Over $160,000 but not over $180,000	$89,320, plus 69% of excess over $160,000.
Over $180,000	$103,120, plus 70% of excess over $180,000.

(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)) who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

If the taxable income is:	The tax is:
Not over $500	14% of the taxable income.
Over $500 but not over $1,000	$70, plus 15% of excess over $500.
Over $1,000 but not over $1,500	$145, plus 16% of excess over $1,000.
Over $1,500 but not over $2,000	$225, plus 17% of excess over $1,500.
Over $2,000 but not over $4,000	$310, plus 19% of excess over $2,000.
Over $4,000 but not over $6,000	$690, plus 21% of excess over $4,000.
Over $6,000 but not over $8,000	$1,110, plus 24% of excess over $6,000.
Over $8,000 but not over $10,000	$1,590, plus 25% of excess over $8,000.
Over $10,000 but not over $12,000	$2,090, plus 27% of excess over $10,000.
Over $12,000 but not over $14,000	$2,630, plus 29% of excess over $12,000.
Over $14,000 but not over $16,000	$3,210, plus 31% of excess over $14,000.
Over $16,000 but not over $18,000	$3,830, plus 34% of excess over $16,000.
Over $18,000 but not over $20,000	$4,510, plus 36% of excess over $18,000.
Over $20,000 but not over $22,000	$5,230, plus 38% of excess over $20,000.
Over $22,000 but not over $26,000	$5,990, plus 40% of excess over $22,000.
Over $26,000 but not over $32,000	$7,590, plus 45% of excess over $26,000.
Over $32,000 but not over $38,000	$10,290, plus 50% of excess over $32,000.
Over $38,000 but not over $44,000	$13,290, plus 55% of excess over $38,000.
Over $44,000 but not over $50,000	$16,590, plus 60% of excess over $44,000.
Over $50,000 but not over $60,000	$20,190, plus 62% of excess over $50,000.
Over $60,000 but not over $70,000	$26,390, plus 64% of excess over $60,000.
Over $70,000 but not over $80,000	$32,790, plus 66% of excess over $70,000.
Over $80,000 but not over $90,000	$39,390, plus 68% of excess over $80,000.
Over $90,000 but not over $100,000	$46,190, plus 69% of excess over $90,000.
Over $100,000	$53,090, plus 70% of excess over $100,000.

(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS; ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013, and of every estate and trust taxable under this subsection, a tax determined in accordance with the following table:

If the taxable income is:	The tax is:
Not over $500	14% of the taxable income.
Over $500 but not over $1,000	$70, plus 15% of excess over $500.
Over $1,000 but not over $1,500	$145, plus 16% of excess over $1,000.
Over $1,500 but not over $2,000	$225, plus 17% of excess over $1,500.
Over $2,000 but not over $4,000	$310, plus 19% of excess over $2,000.
Over $4,000 but not over $6,000	$690, plus 22% of excess over $4,000.
Over $6,000 but not over $8,000	$1,130, plus 25% of excess over $6,000.
Over $8,000 but not over $10,000	$1,630, plus 28% of excess over $8,000.
Over $10,000 but not over $12,000	$2,190, plus 32% of excess over $10,000.
Over $12,000 but not over $14,000	$2,830, plus 36% of excess over $12,000.
Over $14,000 but not over $16,000	$3,550, plus 39% of excess over $14,000.
Over $16,000 but not over $18,000	$4,330, plus 42% of excess over $16,000.
Over $18,000 but not over $20,000	$5,170, plus 45% of excess over $18,000.
Over $20,000 but not over $22,000	$6,070, plus 48% of excess over $20,000.
Over $22,000 but not over $26,000	$7,030, plus 50% of excess over $22,000.
Over $26,000 but not over $32,000	$9,030, plus 53% of excess over $26,000.
Over $32,000 but not over $38,000	$12,210, plus 55% of excess over $32,000.
Over $38,000 but not over $44,000	$15,510, plus 58% of excess over $38,000.
Over $44,000 but not over $50,000	$18,990, plus 60% of excess over $44,000.
Over $50,000 but not over $60,000	$22,590, plus 62% of excess over $50,000.
Over $60,000 but not over $70,000	$28,790, plus 64% of excess over $60,000.
Over $70,000 but not over $80,000	$35,190, plus 66% of excess over $70,000.
Over $80,000 but not over $90,000	$41,790, plus 68% of excess over $80,000.
Over $90,000 but not over $100,000	$48,590, plus 69% of excess over $90,000.
Over $100,000	$55,490, plus 70% of excess over $100,000.

[Sec. 1 as amended by sec. 803(a), Tax Reform Act 1969 (83 Stat. 487)]

PAR. 2. Paragraph (a) of § 1.1–1 is amended to read as follows:

§ 1.1–1 Income tax on individuals.

(a) *General rule.* (1) Section 1 of the Code imposes an income tax on every individual, resident or nonresident, other than a nonresident alien individual subject to the tax imposed by section 871(a) or section 877. For optional tax in the case of taxpayers with adjusted gross income of less than $5,000 (less than $10,000 for taxable years beginning after Dec. 31, 1969) see section 3. The tax imposed is upon taxable income (determined by subtracting the allowable deductions from gross income). The tax is determined in accordance with the table contained in section 1. See subparagraph (2) for reference guides to the appropriate table for taxable years beginning on or after January 1, 1964, and before January 1, 1965, taxable years beginning after December 31, 1964, and before January 1, 1971, and taxable years beginning after December 31, 1970. In certain cases credits are allowed against the amount of the tax. See part IV (section 31 and following), subchapter A, chapter 1 of the Code. In general, the tax is payable upon the basis of returns rendered by persons liable therefor (subchapter A (sections 6001 and following), chapter 61 of the Code) or at the source of the income by withholding. For the computation of tax in the case of a joint return of a husband and wife, or a return of a surviving spouse, for taxable years beginning before January 1, 1971, see section 2. The computation of tax in such a case for taxable years beginning after December 31, 1970, is determined in accordance with the table contained in section 1(a) as amended by the Tax Reform Act of 1969. For other rates of tax on individuals, see section 5(a). For the imposition of an additional tax for the calender years 1968, 1969, and 1970, see section 51(a).

(2) For taxable years beginning on or after January 1, 1964, the tax imposed upon a single individual, a head of a household, a married individual filing a separate return, and estates and trusts is the tax imposed by section 1 determined in accordance with the appropriate table contained in the following subsection of section 1:

	Taxable years beginning in 1964	Taxable years beginning after 1964 but before 1971	Taxable years beginning after Dec. 31, 1970 (references in this column are to the Code as amended by the Tax Reform Act of 1969)
Single individual	Sec. 1(a)(1)	Sec. 1(a)(2)	Sec. 1(c).
Head of a household	Sec. 1(b)(1)	Sec. 1(b)(2)	Sec. 1(b).
Married individual filing a separate return.	Sec. 1(a)(1)	Sec. 1(a)(2)	Sec. 1(d).
Estates and trusts	Sec. 1(a)(1)	Sec. 1(a)(2)	Sec. 1(d).

(3) The income tax imposed by section 1 upon any amount of taxable income is computed by adding to the income tax for the bracket in which that amount falls in the appropriate table in section 1 the income tax upon the excess of that amount over the bottom of the bracket at the rate indicated in such table.

(4) The provisions of section 1 of the Code, as amended by the Tax Reform Act of 1969, and of this paragraph may be illustrated by the following examples:

Example (1). A, an unmarried individual, had taxable income for the calendar year 1964 of $15,750. Accordingly, the tax upon such taxable income would be $4,507.50, computed as follows from the table in section 1(a)(1):

Tax on $14,000 (from table)	$3,790.00
Tax on $1,750 (at 41 percent as determined from the table)	717.50
Total tax on $15,750	4,507.50

Example (2). Assume the same facts as in example (1), except the figures are for the calendar year 1965. The tax upon such taxable income would be $4,232.50, computed as follows from the table in section 1(a)(2):

Tax on $14,000 (from table)	$3,550.00
Tax on $1,750 (at 39 percent as determined from the table)	682.50
Total tax on $15,750	4,232.50

Example (3). Assume the same facts as in example (1), except the figures are for the calendar year 1971. The tax upon such taxable income would be $3,752.50, computed as follows from the table in section 1(c), as amended:

Tax on $14,000 (from table)	$3,210.00
Tax on $1,750 (at 31 percent as determined from the table)	542.50
Total tax on $15,750	3,752.50

* * * * *

PAR. 3. Section 1.1–2 is deleted and § 1.1–3 is amended and redesignated § 1.1–2 as follows:

§ 1.1–2 Limitation on tax.

(a) *Taxable years ending before January 1, 1971.* For taxable years ending before January 1, 1971 the tax imposed by section 1 (whether by subsection (a) or subsection (b) thereof) shall not exceed 87 percent of the taxable income for the taxable year. For purposes of determining this limitation the tax under section 1 (a) or (b) and the tax at the 87-percent rate shall each be computed before the allowance of any credits against the tax. Where the alternative tax on capital gains is imposed under section 1201(b), the 87-percent limitation shall apply only to the partial tax computed on the taxable income reduced by 50 percent of the excess of net long-term capital gains over net short-term capital losses. Where, for purposes of computations under the income averaging provisions, section 1201(b) is treated as imposing the alternative tax on capital gains computed under section 1304(e)(2), the 87-percent limitation shall apply only to the tax equal to the tax imposed by section 1, reduced by the amount of the tax imposed by section 1 which is attributable to capital gain net income for the computation year.

(b) *Taxable years beginning after December 31, 1970.* If, for any taxable year beginning after December 31, 1970, an individual has earned taxable income which exceeds his taxable income as defined by section 1348, the tax imposed by section 1, as amended by the Tax Reform Act of 1969, shall not exceed the sum computed under the provisions of section 1348. For imposition of minimum tax for tax preferences see sections 56 through 58.

PAR. 4. Section 1.1–4 is deleted and § 1.1–5 is redesignated as § 1.1–3:

§ 1.1–3 Change in rates applicable to taxable year.

* * * * *

PAR. 5. Section 1.2 is amended by inserting sections 1(b) (2), (3), and (4) before section 2, by revising section 2 to reflect the changes made by section 803(b) of the Tax Reform Act 1969, by revising the historical note, by adding thereafter section 2 as amended by section 803(b) of the Tax Reform Act of 1969 and by adding a historical note. These amended and added provisions read as follows:

§ 1.2 Statutory provisions.

SECTION 1. *Tax imposed.* * * *

(b) *Rates of tax on heads of households*—

(2) DEFINITION OF HEAD OF HOUSEHOLD.—For purposes of this subtitle, an individual shall be considered a head of a household if, and only if, such individual is not married at the close of his taxable year, is not a surviving spouse (as defined in section 2(b)), and either—

(A) Maintains as his home a household which constitutes for such taxable year the principal place of abode, as a member of such household, of—

(i) A son, stepson, daughter, or stepdaughter of the taxpayer, or a descendant of a son or daughter of the taxpayer, but if such son, stepson, daughter, stepdaughter, or decendant is married at the close of the taxpayer's taxable year, only if the taxpayer is entitled to a deduction for the taxable year for such person under section 151, or

(ii) Any other person who is a dependent of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such person under section 151, or

(B) Maintains a household which constitutes for such taxable year the principal place of abode of the father or mother of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such father or mother under section 151.

For purposes of this paragraph and of section 2(b)(1)(B), an individual shall be considered as maintaining a household only if over half of the cost of maintaining the household during the taxable year is furnished by such individual.

(3) DETERMINATION OF STATUS.—For purposes of this subsection—

(A) A legally adopted child of a person shall be considered a child of such person by blood;

(B) An individual who is legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married;

(C) A taxpayer shall be considered as not married at the close of his taxable year if at any time during the taxable year his spouse is a nonresident alien; and

(D) A taxpayer shall be considered as married at the close of his taxable year if his spouse (other than a spouse described in subparagraph (C) died during the taxable year.

(4) LIMITATIONS.—Notwithstanding paragraph (2), for purposes of this subtitle a taxpayer shall not be considered to be a head of a household—

(A) If at any time during the taxable year he is a nonresident alien; or

(B) By reason of an individual who would not be a dependent for the taxable year but for—

(i) Paragraph (9) of section 152(a),

(ii) Paragraph (10) of section 152(a), or

(iii) Subsection (c) of section 152.

* * * * *

SEC. 2. DEFINITIONS AND SPECIAL RULES.

[Sec. 2(a)]

(a) DEFINITION OF SURVIVING SPOUSE.—

(1) IN GENERAL.—For purposes of section 1, the term "surviving spouse" means a taxpayer—

(A) Whose spouse died during either of his 2 taxable years immediately preceding the taxable year, and

(B) Who maintains as his home a household which constitutes for the taxable year the principal place of abode (as a member of such household) of a dependent (i) who (within the meaning of section 152) is a son, stepson, daughter, or stepdaughter of the taxpayer, and (ii) with respect to whom the taxpayer is entitled to a deduction for the taxable year under section 151.

For purposes of this paragraph, an individual shall be considered as maintaining a household only if over half of the cost of maintaining the household during the taxable year is furnished by such individual.

(2) LIMITATIONS.—Notwithstanding paragraph (1), for purposes of section 1 a taxpayer shall not be considered to be a surviving spouse—

(A) If the taxpayer has remarried at any time before the close of the taxable year, or

(B) Unless, for the taxpayer's taxable year during which his spouse died, a joint return could have been made under the provisions of section 6013 (without regard to subsection (a)(3) thereof).

[Sec. 2(b)]

(b) DEFINITION OF HEAD OF HOUSEHOLD.—

(1) IN GENERAL.—For purposes of this subtitle, an individual shall be considered a head of a household if, and only if, such individual is not married at the close of his taxable year, is not a surviving spouse (as defined in subsection (a)), and either—

(A) Maintains as his home a household which constitutes for such taxable year the principal place of abode, as a member of such household, of—

(i) A son, stepson, daughter, or stepdaughter of the taxpayer, or a descendant of a son or daughter of the taxpayer, but if such son, stepson, daughter, stepdaughter, or descendant is married at the close of the taxpayer's taxable year, only if the taxpayer is entitled to a deduction for the taxable year for such person under section 151, or

(ii) Any other person who is a dependent of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such person under section 151, or

(B) Maintains a household which constitutes for such taxable year the principal place of abode of the father or mother of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such father or mother under section 151.

For purposes of this paragraph, an individual shall be considered as maintaining a household only if over half of the cost of maintain-

ing the household during the taxable year is furnished by such individual.

(2) DETERMINATION OF STATUS.—For purposes of this subsection—

(A) A legally adopted child of a person shall be considered a child of such person by blood;

(B) An individual who is legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married;

(C) A taxpayer shall be considered as not married at the close of his taxable year if at any time during the taxable year his spouse is a nonresident alien; and

(D) A taxpayer shall be considered as married at the close of his taxable year if his spouse (other than a spouse described in subparagraph (C)) died during the taxable year.

(3) LIMITATIONS.—Notwithstanding paragraph (1), for purposes of this subtitle a taxpayer shall not be considered to be a head of a household—

(A) If at any time during the taxable year he is a nonresident alien; or

(B) By reason of an individual who would not be a dependent for the taxable year but for—

(i) Paragraph (9) of section 152(a),

(ii) Paragraph (10) of section 152(a), or

(iii) Subsection (c) of section 152.

[Sec. 2(c)]

(c) CERTAIN MARRIED INDIVIDUALS LIVING APART.—For purposes of this part, an individual who, under section 143(b), is not to be considered as married shall not be considered as married.

[Sec. 2(d)]

(d) NONRESIDENT ALIENS.—In the case of a nonresident alien individual, the tax imposed by section 1 shall apply only as provided by section 871 or 877.

[Sec. 2(c)]

(c) CROSS REFERENCE.—

For definition of taxable income, see section 63.

[Sec. 2 as amended by sec. 803(b) Tax Reform Act 1969]

PAR. 6. Section 1.2–1 is amended to read as follows:

§ 1.2–1 Tax in case of joint return of husband and wife or the return of a surviving spouse.

(a) *Taxable year ending before January 1, 1971.* (1) For taxable years ending before January 1, 1971, in the case of a joint return of husband and wife, or the return of a surviving spouse as defined in section 2(b), the tax imposed by section 1 shall be twice the tax that would be imposed if the taxable income were reduced by one-half. For rules relating to the filing of joint returns of husband and wife, see section 6013 and the regulations thereunder.

(2) The method of computing, under section 2(a), the tax of husband and wife in the case of a joint return, or the tax of a surviving spouse, is as follows:

(i) First, the taxable income is reduced by one-half. Second, the tax is determined as provided by section 1 by using the taxable income so reduced. Third, the tax so determined, which is the tax that would be determined if the taxable income were reduced by one-half, is then multiplied by two to produce the tax imposed in the case of the joint return or the return of a surviving spouse, subject, however, to the allowance of any credits against the tax under the provisions of sections 31 through 38 and the regulations thereunder.

(ii) The limitation under section 1(c) of the tax to an amount not in excess of a specified percent of the taxable income for the taxable year is to be applied before the third step above, that is, the limitation to be applied upon the tax is determined as the applicable specified percent of one-half of the taxable income for the taxable year (such one-half of the taxable income being the actual aggregate taxable income of the spouses, or the total taxable income of the surviving spouse, as the case may be, reduced by one-half). For the percent applicable in determining the limitation of the tax under section 1(c), see § 1.1–2(a). After such limitation is applied, then the tax so limited is multiplied by two as provided in section 2(a) (the third step above).

(iii) The following computation illustrates the method of application of section 2(a) in the determination of the tax of a husband and wife filing a joint return for the calendar year 1965. If the combined gross income is $8,200, and the only deductions are the two exemptions of the taxpayers under section 151(b) and the standard deduction under section 141, the tax on the joint return for 1965, without regard to any credits against the tax, is $1,034.20 determined as follows:

1. Gross income		$8,200.00
2. Less:		
Standard deduction, section 141	$820	
Deduction for personal exemption, section 151	1,200	2,020.00
3. Taxable income		6,180.00
4. Taxable income reduced by one-half		3,090.00
5. Tax computed by the tax table provided under section 1(a)(2) ($310 plus 19 percent of excess over $2,000)		517.10
6. Twice the tax in item 5		1,034.20

(b) *Taxable years beginning after December 31, 1970.* (1) For taxable years beginning after December 31, 1970, in the case of a joint return of husband and wife, or the return of a surviving spouse as defined in section 2(a) of the Code as amended by the Tax Reform Act of 1969, the tax shall be determined in accordance with the table contained in section 1(a) of the Code as so amended. For rules relating to the filing of joint returns of husband and wife see section 6013 as amended and the regulations thereunder.

(2) The following computation illustrates the method of computing the tax of a husband and wife filing a joint return for calendar year 1971. If the combined gross income is $8,200, and the only deductions are the two exemptions of the taxpayers under section 151(b), as amended, and the standard deduction under section 141, as amended, the tax on the joint return for 1971, without regard to any credits against the tax, is $968.46, determined as follows:

1. Gross income		$8,200.00
2. Less:		
Standard deduction, section 141	$1,066.00	
Deduction for personal exemption, section 151	1,300.00	2,366.00
3. Taxable income		5,834.00
4. Tax computed by the tax table provided under section 1(a) ($620 plus 19 percent of excess over $4,000)		968.46

(3) The limitation under section 1348 with respect to the maximum rate of tax on earned income shall apply to a married individual only if such individual and his spouse file a joint return for the taxable year.

(c) *Death of a spouse.* If a joint return of a husband and wife is filed under the provisions of section 6013 and if the husband and wife have different taxable years solely because of the death of either spouse, the taxable year of the deceased spouse covered by the joint return shall, for the purpose of the computation of the tax in respect of such joint return, be deemed to have ended on the date of the closing of the surviving spouse's taxable year.

(d) *Computation of optional tax.* For computation of optional tax in the case of a joint return or the return of a surviving spouse, see section 3 and the regulations thereunder.

(e) *Change in rates.* For treatment of taxable years during which a change in the tax rates occurs see section 21 and the regulations thereunder.

PAR. 7. Section 1.2–2 is amended to read as follows:

§ 1.2–2 Definitions and special rules.

(a) *Surviving spouse.* (1) If a taxpayer is eligible to file a joint return under the Internal Revenue Code of 1954 without regard to section 6013(a)(3) thereof for the taxable year in which his spouse dies, his return for each of the next 2 taxable years following the year of the death of the spouse shall be treated as a joint return for all purposes if all three of the following requirements are satisfied:

(i) He has not remarried before the close of the taxable year the return for which is sought to be treated as a joint return, and

(ii) He maintains as his home a household which constitutes for the taxable year the principal place of abode as a member of such household of a person who is (whether by blood or adoption) a son, stepson, daughter, or stepdaughter of the taxpayer, and

(iii) He is entitled for the taxable year to a deduction under section 151 (relating to deductions for dependents) with

respect to such son, stepson, daughter, or stepdaughter.

(2) See paragraphs (c)(1) and (d) of this section for rules for the determination of when the taxpayer maintains as his home a household which constitutes for the taxable year the principal place of abode, as a member of such household, of another person.

(3) If the taxpayer does not qualify as a surviving spouse he may nevertheless qualify as a head of a household if he meets the requirements of § 1.2–2(b).

(4) The following example illustrates the provisions relating to a surviving spouse:

Example: Assume that the taxpayer meets the requirements of this paragraph for the years 1967 through 1971, and that the taxpayer, whose wife died during 1966 while married to him, remarried in 1968. In 1969, the taxpayer's second wife died while married to him, and he remained single thereafter. For 1967 the taxpayer will qualify as a surviving spouse, provided that neither the taxpayer nor the first wife was a nonresident alien at any time during 1966 and that she (immediately prior to her death) did not have a taxable year different from that of the taxpayer. For 1968 the taxpayer does not qualify as a surviving spouse because he remarried before the close of the taxable year. The taxpayer will qualify as a surviving spouse for 1970 and 1971, provided that neither the taxpayer nor the second wife was a nonresident alien at any time during 1969 and that she (immediately prior to her death) did not have a taxable year different from that of the taxpayer. On the other hand, if the taxpayer, in 1969, was divorced or legally separated from his second wife, the taxpayer will not qualify as a surviving spouse for 1970 or 1971, since he could not have filed a joint return for 1969 (the year in which his second wife died).

(b) *Head of household.* (1) A taxpayer shall be considered the head of a household if, and only if, he is not married at the close of his taxable year, is not a surviving spouse (as defined in paragraph (a) of this section, and (i) maintains as his home a household which constitutes for such taxable year the principal place of abode, as a member of such household, of at least one of the individuals described in subparagraph (3), or (ii) maintains (whether or not as his home) a household which constitutes for such taxable year the principal place of abode of one of the individuals described in subparagraph (4).

(2) Under no circumstances shall the same person be used to qualify more than one taxpayer as the head of a household for the same taxable year.

(3) Any of the following persons may qualify the taxpayer as a head of a household:

(i) A son, stepson, daughter, or stepdaughter of the taxpayer, or a descendant of a son or daughter of the taxpayer. For the purpose of determining whether any of the stated relationships exist, a legally adopted child of a person is considered a child of such person by blood. If any such person is not married at the close of the taxable year of the taxpayer, the taxpayer may qualify as the head of a household by reason of such person even though the taxpayer may not claim a deduction for such person under section 151, for example, because the taxpayer does not furnish more than half of the support of such person. However, if any such person is married at the close of the taxable year of the taxpayer, the taxpayer may qualify as the head of a household by reason of such person only if the taxpayer is entitled to a deduction for such person under section 151 and the regulations thereunder. In applying the preceding sentence there shall be disregarded any such person for whom a deduction is allowed under section 151 only by reason of section 152(c) (relating to persons covered by a multiple support agreement).

(ii) Any other person who is a dependent of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such person under section 151 and paragraphs (3) through (8) of section 152(a) and the regulations thereunder. Under section 151 the taxpayer may be entitled to a deduction for any of the following persons:

(*a*) His brother, sister, stepbrother, or stepsister;

(*b*) His father or mother, or an ancestor of either;

(*c*) His stepfather or stepmother;

(*d*) A son or a daughter of his brother or sister;

(*e*) A brother or sister of his father or mother; or

(*f*) His son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law;

if such person has a gross income of less than the amount determined pursuant to § 1.151–2 applicable to the calendar year in which the taxable year of the taxpayer begins, if the taxpayer supplies more than one-half of the support of such person for such calendar year and if such person does not make a joint return with his spouse for the taxable year beginning in such calendar year. The taxpayer may not be considered to be a head of a household by reason of any person for whom a deduction is allowed under section 151 only by reason of sections 152(a)(9), 152(a)(10), or 152(c) (relating to persons not related to the taxpayer, persons receiving institutional care, and persons covered by multiple support agreements).

(4) The father or mother of the taxpayer may qualify the taxpayer as a head of a household, but only if the taxpayer is entitled to a deduction for the taxable year for such father or mother under section 151 (determined without regard to section 152(c)). For example, an unmarried taxpayer who maintains a home for his widowed mother may not qualify as the head of a household by reason of his maintenance of a home for his mother if his mother has gross income equal to or in excess of the amount determined pursuant to § 1.151–2 applicable to the calendar year in which the taxable year of the taxpayer begins, or if he does not furnish more than one-half of the support of his mother for such calendar year. For this purpose, a person who legally adopted the taxpayer is considered the father or mother of the taxpayer.

(5) For the purpose of this paragraph, the status of the taxpayer shall be determined as of the close of the taxpayer's taxable year. A taxpayer shall be considered as not married if at the close of his taxable year he is legally separated from his spouse under a decree of divorce or separate maintenance, or if at any time during the taxable year the spouse to whom the taxpayer is married at the close of his taxable year was a nonresident alien. A taxpayer shall be considered married at the close of his taxable year if his spouse (other than a spouse who is a nonresident alien) dies during such year.

(6) If the taxpayer is a nonresident alien during any part of the taxable year he may not qualify as a head of a household even though he may comply with the other provisions of this paragraph. See the regulations prescribed under section 871 for a definition of nonresident alien.

(c) *Household.* (1) In order for a taxpayer to be considered as maintaining a household by reason of any individual described in paragraph (a)(1) or (b)(3) of this section, the household must actually constitute the home of the taxpayer for his taxable year. A physical change in the location of such home will not prevent a taxpayer from qualifying as a head of a household. Such home must also constitute the principal place of abode of at least one of the persons specified in such paragraph (a)(1) or (b)(3) of this section. It is not sufficient that the taxpayer maintain the household without being its occupant. The taxpayer and such other person must occupy the household for the entire taxable year of the taxpayer. However, the fact that such other person is born or dies within the taxable year will not prevent the taxpayer from qualifying as a head of household if the household constitutes the principal place of abode of such other person for the remaining or preceding part of such taxable year. The taxpayer and such other person will be considered as occupying the household for such entire taxable year notwithstanding temporary absences from the household due to special circumstances. A nonpermanent failure to occupy the common abode by reason of illness, education, business, vacation, military service, or a custody agreement under which a child or stepchild is absent for less than 6 months in the taxable year of the taxpayer, shall be considered temporary absence due to special circumstances. Such absence will not prevent the taxpayer from being considered as maintaining a household if (i) it

is reasonable to assume that the taxpayer or such other person will return to the household, and (ii) the taxpayer continues to maintain such household or a substantially equivalent household in anticipation of such return.

(2) In order for a taxpayer to be considered as maintaining a household by reason of any individual described in paragraph (b)(4) of this section, the household must actually constitute the principal place of abode of the taxpayer's dependent father or mother, or both of them. It is not, however, necessary for the purposes of such subparagraph for the taxpayer also to reside in such place of abode. A physical change in the location of such home will not prevent a taxpayer from qualifying as a head of a household. The father or mother of the taxpayer, however, must occupy the household for the entire taxable year of the taxpayer. They will be considered as occupying the household for such entire year notwithstanding temporary absences from the household due to special circumstances. For example, a nonpermanent failure to occupy the household by reason of illness or vacation shall be considered temporary absence due to special circumstances. Such absence will not prevent the taxpayer from qualifying as the head of a household if (i) it is reasonable to assume that such person will return to the household, and (ii) the taxpayer continues to maintain such household or a substantially equivalent household in anticipation of such return. However, the fact that the father or mother of the taxpayer dies within the year will not prevent the taxpayer from qualifying as a head of a household if the household constitutes the principal place of abode of the father or mother for the preceding part of such taxable year.

(d) *Cost of maintaining a household.* A taxpayer shall be considered as maintaining a household only if he pays more than one-half the cost thereof for his taxable year. The cost of maintaining a household shall be the expenses incurred for the mutual benefit of the occupants thereof by reason of its operation as the principal place of abode of such occupants for such taxable year. The cost of maintaining a household shall not include expenses otherwise incurred. The expenses of maintaining a household include property taxes, mortgage interest, rent, utility charges, upkeep and repairs, property insurance, and food consumed on the premises. Such expenses do not include the cost of clothing, education, medical treatment, vacations, life insurance, and transportation. In addition, the cost of maintaining a household shall not include any amount which represents the value of services rendered in the household by the taxpayer or by a person qualifying the taxpayer as a head of a household or as a surviving spouse.

(e) *Certain married individuals living apart.* For taxable years beginning after December 31, 1969, an individual who is considered as not married under section 143(b) shall be considered as not married for purposes of determining whether he or she qualifies as a single individual, a married individual, a head of household or a surviving spouse under sections 1 and 2 of the Code.

PAR. 8. Section 1.3 is amended to insert after section 3, applicable to taxable years ending before January 1, 1970, new section 3 applicable to taxable years beginning after December 31, 1969 and by adding a historical note. These amended and added provisions read as follows:

§ 1.3 Statutory provisions; optional tax tables for individuals.

SEC. 3. *Optional tax tables for individuals.* In lieu of the tax imposed by section 1, there is hereby imposed for each taxable year beginning after December 31, 1969, on the taxable income of every individual whose adjusted gross income for such year is less than $10,000, and who has elected for such year to pay the tax imposed by this section, a tax determined under tables, applicable to such taxable year, which shall be prescribed by the Secretary or his delegate. In the tables so prescribed, the amounts of tax shall be computed on the basis of the taxable income computed by taking the standard deduction and on the basis of the rates prescribed by section 1.

TABLE I.—SINGLE PERSON—NOT HEAD OF HOUSEHOLD

Taxable Years Beginning After December 31, 1964, and Ending Before January 1, 1970

If adjusted gross income is—		And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—						
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7 or more
		The tax is—						The tax is—						
0	$900	0	0	0	0	$2,450	$2,475	$236	$124	$23	0	0	0	0
$900	925	$2	0	0	0	2,475	2,500	240	128	26	0	0	0	0
925	950	5	0	0	0	2,500	2,525	244	132	30	0	0	0	0
950	975	9	0	0	0	2,525	2,550	248	136	33	0	0	0	0
975	1,000	12	0	0	0	2,550	2,575	253	139	37	0	0	0	0
1,000	1,025	16	0	0	0	2,575	2,600	257	143	40	0	0	0	0
1,025	1,050	19	0	0	0	2,600	2,625	261	147	44	0	0	0	0
1,050	1,075	23	0	0	0	2,625	2,650	265	151	47	0	0	0	0
1,075	1,100	26	0	0	0	2,650	2,675	270	155	51	0	0	0	0
1,100	1,125	30	0	0	0	2,675	2,700	274	159	54	0	0	0	0
1,125	1,150	33	0	0	0	2,700	2,725	278	163	58	0	0	0	0
1,150	1,175	37	0	0	0	2,725	2,750	282	167	61	0	0	0	0
1,175	1,200	40	0	0	0	2,750	2,775	287	171	65	0	0	0	0
1,200	1,225	44	0	0	0	2,775	2,800	291	175	68	0	0	0	0
1,225	1,250	47	0	0	0	2,800	2,825	295	179	72	0	0	0	0
1,250	1,275	51	0	0	0	2,825	2,850	299	183	76	0	0	0	0
1,275	1,300	54	0	0	0	2,850	2,875	304	187	79	0	0	0	0
1,300	1,325	58	0	0	0	2,875	2,900	308	191	83	0	0	0	0
1,325	1,350	61	0	0	0	2,900	2,925	312	195	87	0	0	0	0
1,350	1,375	65	0	0	0	2,925	2,950	317	199	91	0	0	0	0
1,375	1,400	68	0	0	0	2,950	2,975	322	203	94	0	0	0	0
1,400	1,425	72	0	0	0	2,975	3,000	327	207	98	0	0	0	0
1,425	1,450	76	0	0	0	3,000	3,050	333	213	104	$4	0	0	0
1,450	1,475	79	0	0	0	3,050	3,100	342	221	111	11	0	0	0
1,475	1,500	83	0	0	0	3,100	3,150	350	229	119	18	0	0	0
1,500	1,525	87	0	0	0	3,150	3,200	359	238	126	25	0	0	0
1,525	1,550	91	0	0	0	3,200	3,250	367	246	134	32	0	0	0
1,550	1,575	94	0	0	0	3,250	3,300	376	255	141	39	0	0	0
1,575	1,600	98	0	0	0	3,300	3,350	385	263	149	46	0	0	0
1,600	1,625	102	$2	0	0	3,350	3,400	393	272	157	53	0	0	0
1,625	1,650	106	5	0	0	3,400	3,450	402	280	165	60	0	0	0
1,650	1,675	109	9	0	0	3,450	3,500	410	289	173	67	0	0	0
1,675	1,700	113	12	0	0	3,500	3,550	419	297	181	74	0	0	0
1,700	1,725	117	16	0	0	3,550	3,600	427	306	189	81	0	0	0
1,725	1,750	121	19	0	0	3,600	3,650	436	315	197	89	0	0	0
1,750	1,775	124	23	0	0	3,650	3,700	444	324	205	96	0	0	0
1,775	1,800	128	26	0	0	3,700	3,750	453	334	213	104	$4	0	0
1,800	1,825	132	30	0	0	3,750	3,800	462	343	221	111	11	0	0
1,825	1,850	136	33	0	0	3,800	3,850	470	353	229	119	18	0	0
1,850	1,875	139	37	0	0	3,850	3,900	479	362	238	126	25	0	0
1,875	1,900	143	40	0	0	3,900	3,950	487	372	246	134	32	0	0
1,900	1,925	147	44	0	0	3,950	4,000	496	381	255	141	39	0	0
1,925	1,950	151	47	0	0	4,000	4,050	504	390	263	149	46	0	0
1,950	1,975	155	51	0	0	4,050	4,100	513	399	272	157	53	0	0
1,975	2,000	159	54	0	0	4,100	4,150	521	407	280	165	60	0	0
2,000	2,025	163	58	0	0	4,150	4,200	530	416	289	173	67	0	0
2,025	2,050	167	61	0	0	4,200	4,250	538	424	297	181	74	0	0
2,050	2,075	171	65	0	0	4,250	4,300	547	433	306	189	81	0	0
2,075	2,100	175	68	0	0	4,300	4,350	556	442	315	197	89	0	0
2,100	2,125	179	72	0	0	4,350	4,400	564	450	324	205	96	0	0
2,125	2,150	183	76	0	0	4,400	4,450	573	459	334	213	104	$4	0
2,150	2,175	187	79	0	0	4,450	4,500	581	467	343	221	111	11	0
2,175	2,200	191	83	0	0	4,500	4,550	590	476	353	229	119	18	0
2,200	2,225	195	87	0	0	4,550	4,600	598	484	362	238	126	25	0
2,225	2,250	199	91	0	0	4,600	4,650	607	493	372	246	134	32	0
2,250	2,275	203	94	0	0	4,650	4,700	615	501	381	255	141	39	0
2,275	2,300	207	98	0	0	4,700	4,750	624	510	391	263	149	46	0
2,300	2,325	211	102	$2	0	4,750	4,800	633	519	400	272	157	53	0
2,325	2,350	215	106	5	0	4,800	4,850	641	527	410	280	165	60	0
2,350	2,375	219	109	9	0	4,850	4,900	650	536	419	289	173	67	0
2,375	2,400	223	113	12	0	4,900	4,950	658	544	429	297	181	74	0
2,400	2,425	227	117	16	0	4,950	5,000	667	553	438	306	189	81	0
2,425	2,450	231	121	19	0									

TABLE II—HEAD OF HOUSEHOLD

Taxable Years Beginning After December 31, 1964, and Ending Before January 1, 1970

If adjusted gross income is—		And the number of exemptions is—											
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7 or more
		The tax is—						The tax is—						
0	$900	0	0	0	0	$2,450	$2,475	$230	$121	$23	0	0	0	0
$900	925	$2	0	0	0	2,475	2,500	234	124	26	0	0	0	0
925	950	5	0	0	0	2,500	2,525	238	128	30	0	0	0	0
950	975	9	0	0	0	2,525	2,550	242	131	33	0	0	0	0
975	1,000	12	0	0	0	2,550	2,575	246	135	37	0	0	0	0
1,000	1,025	16	0	0	0	2,575	2,600	250	138	40	0	0	0	0
1,025	1,050	19	0	0	0	2,600	2,625	254	142	44	0	0	0	0
1,050	1,075	23	0	0	0	2,625	2,650	258	146	47	0	0	0	0
1,075	1,100	26	0	0	0	2,650	2,675	262	150	51	0	0	0	0
1,100	1,125	30	0	0	0	2,675	2,700	266	154	54	0	0	0	0
1,125	1,150	33	0	0	0	2,700	2,725	270	158	58	0	0	0	0
1,150	1,175	37	0	0	0	2,725	2,750	274	162	61	0	0	0	0
1,175	1,200	40	0	0	0	2,750	2,775	278	166	65	0	0	0	0
1,200	1,225	44	0	0	0	2,775	2,800	282	170	68	0	0	0	0
1,225	1,250	47	0	0	0	2,800	2,825	286	174	72	0	0	0	0
1,250	1,275	51	0	0	0	2,825	2,850	290	178	75	0	0	0	0
1,275	1,300	54	0	0	0	2,850	2,875	294	182	79	0	0	0	0
1,300	1,325	58	0	0	0	2,875	2,900	298	186	82	0	0	0	0
1,325	1,350	61	0	0	0	2,900	2,925	302	190	86	0	0	0	0
1,350	1,375	65	0	0	0	2,925	2,950	307	194	89	0	0	0	0
1,375	1,400	68	0	0	0	2,950	2,975	311	198	93	0	0	0	0
1,400	1,425	72	0	0	0	2,975	3,000	316	202	96	0	0	0	0
1,425	1,450	75	0	0	0	3,000	3,050	322	208	102	$4	0	0	0
1,450	1,475	79	0	0	0	3,050	3,100	330	216	109	11	0	0	0
1,475	1,500	82	0	0	0	3,100	3,150	338	224	116	18	0	0	0
1,500	1,525	86	0	0	0	3,150	3,200	346	232	123	25	0	0	0
1,525	1,550	89	0	0	0	3,200	3,250	354	240	130	32	0	0	0
1,550	1,575	93	0	0	0	3,250	3,300	363	248	137	39	0	0	0
1,575	1,600	96	0	0	0	3,300	3,350	371	256	144	46	0	0	0
1,600	1,625	100	$2	0	0	3,350	3,400	379	264	152	53	0	0	0
1,625	1,650	103	5	0	0	3,400	3,450	387	272	160	60	0	0	0
1,650	1,675	107	9	0	0	3,450	3,500	395	280	168	67	0	0	0
1,675	1,700	110	12	0	0	3,500	3,550	403	288	176	74	0	0	0
1,700	1,725	114	16	0	0	3,550	3,600	411	296	184	81	0	0	0
1,725	1,750	117	19	0	0	3,600	3,650	419	305	192	88	0	0	0
1,750	1,775	121	23	0	0	3,650	3,700	427	314	200	95	0	0	0
1,775	1,800	124	26	0	0	3,700	3,750	435	323	208	102	$4	0	0
1,800	1,825	128	30	0	0	3,750	3,800	444	332	216	109	11	0	0
1,825	1,850	131	33	0	0	3,800	3,850	452	341	224	116	18	0	0
1,850	1,875	135	37	0	0	3,850	3,900	460	350	232	123	25	0	0
1,875	1,900	138	40	0	0	3,900	3,950	468	359	240	130	32	0	0
1,900	1,925	142	44	0	0	3,950	4,000	476	368	248	137	39	0	0
1,925	1,950	146	47	0	0	4,000	4,050	484	376	256	144	46	0	0
1,950	1,975	150	51	0	0	4,050	4,100	492	384	264	152	53	0	0
1,975	2,000	154	54	0	0	4,100	4,150	500	392	272	160	60	0	0
2,000	2,025	158	58	0	0	4,150	4,200	508	400	280	168	67	0	0
2,025	2,050	162	61	0	0	4,200	4,250	516	408	288	176	74	0	0
2,050	2,075	166	65	0	0	4,250	4,300	525	417	296	184	81	0	0
2,075	2,100	170	68	0	0	4,300	4,350	533	425	305	192	88	0	0
2,100	2,125	174	72	0	0	4,350	4,400	541	433	314	200	95	0	0
2,125	2,150	178	75	0	0	4,400	4,450	549	441	323	208	102	$4	0
2,150	2,175	182	79	0	0	4,450	4,500	557	449	332	216	109	11	0
2,175	2,200	186	82	0	0	4,500	4,550	565	457	341	224	116	18	0
2,200	2,225	190	86	0	0	4,550	4,600	573	465	350	232	123	25	0
2,225	2,250	194	89	0	0	4,600	4,650	581	473	359	240	130	32	0
2,250	2,275	198	93	0	0	4,650	4,700	589	481	368	248	137	39	0
2,275	2,300	202	96	0	0	4,700	4,750	597	489	377	256	144	46	0
2,300	2,325	206	100	$2	0	4,750	4,800	606	498	386	264	152	53	0
2,325	2,350	210	103	5	0	4,800	4,850	614	506	395	272	160	60	0
2,350	2,375	214	107	9	0	4,850	4,900	622	514	404	280	168	67	0
2,375	2,400	218	110	12	0	4,900	4,950	630	522	413	288	176	74	0
2,400	2,425	222	114	16	0	4,950	5,000	638	530	422	296	184	81	0
2,425	2,450	226	117	19	0									

TABLE III—MARRIED PERSONS FILING JOINT RETURNS

Taxable Years Beginning After December 31, 1964, and Ending Before January 1, 1970

If adjusted gross income is—		And the number of exemptions is—			If adjusted gross income is—		And the number of exemptions is—					
At least	But less than	2	3	4 or more	At least	But less than	2	3	4	5	6	7 or more
		The tax is—					The tax is—					
0	$1,600	0	0	0	$2,800	$2,825	$172	$72	0	0	0	0
$1,600	1,625	$2	0	0	2,825	2,850	176	75	0	0	0	0
1,625	1,650	5	0	0	2,850	2,875	179	79	0	0	0	0
1,650	1,675	9	0	0	2,875	2,900	183	82	0	0	0	0
1,675	1,700	12	0	0	2,900	2,925	187	86	0	0	0	0
1,700	1,725	16	0	0	2,925	2,950	191	89	0	0	0	0
1,725	1,750	19	0	0	2,950	2,975	194	93	0	0	0	0
1,750	1,775	23	0	0	2,975	3,000	198	96	0	0	0	0
1,775	1,800	26	0	0	3,000	3,050	204	102	$4	0	0	0
1,800	1,825	30	0	0	3,050	3,100	211	109	11	0	0	0
1,825	1,850	33	0	0	3,100	3,150	219	116	18	0	0	0
1,850	1,875	37	0	0	3,150	3,200	226	123	25	0	0	0
1,875	1,900	40	0	0	3,200	3,250	234	130	32	0	0	0
1,900	1,925	44	0	0	3,250	3,300	241	137	39	0	0	0
1,925	1,950	47	0	0	3,300	3,350	249	144	46	0	0	0
1,950	1,975	51	0	0	3,350	3,400	256	151	53	0	0	0
1,975	2,000	54	0	0	3,400	3,450	264	159	60	0	0	0
2,000	2,025	58	0	0	3,450	3,500	271	166	67	0	0	0
2,025	2,050	61	0	0	3,500	3,550	279	174	74	0	0	0
2,050	2,075	65	0	0	3,550	3,700	286	181	81	0	0	0
2,075	2,100	68	0	0	3,600	3,650	294	189	88	0	0	0
2,100	2,125	72	0	0	3,650	3,700	302	196	95	0	0	0
2,125	2,150	75	0	0	3,700	3,750	310	204	102	$4	0	0
2,150	2,175	79	0	0	3,750	3,800	318	211	109	11	0	0
2,175	2,200	82	0	0	3,800	3,850	326	219	116	18	0	0
2,200	2,225	86	0	0	3,850	3,900	334	226	123	25	0	0
2,225	2,250	89	0	0	3,900	3,950	342	234	130	32	0	0
2,250	2,275	93	0	0	3,950	4,000	350	241	137	39	0	0
2,275	2,300	96	0	0	4,000	4,050	358	249	144	46	0	0
2,300	2,325	100	$2	0	4,050	4,100	365	256	151	53	0	0
2,325	2,350	103	5	0	4,100	4,150	372	264	159	60	0	0
2,350	2,375	107	9	0	4,150	4,200	379	271	166	67	0	0
2,375	2,400	110	12	0	4,200	4,250	386	279	174	74	0	0
2,400	2,425	114	16	0	4,250	4,300	394	286	181	81	0	0
2,425	2,450	117	19	0	4,300	4,350	401	294	189	88	0	0
2,450	2,475	121	23	0	4,350	4,400	408	302	196	95	0	0
2,475	2,500	124	26	0	4,400	4,450	415	310	204	102	$4	0
2,500	2,525	128	30	0	4,450	4,500	422	318	211	109	11	0
2,525	2,550	131	33	0	4,500	4,550	430	326	219	116	18	0
2,550	2,575	135	37	0	4,550	4,600	437	334	226	123	25	0
2,575	2,600	138	40	0	4,600	4,650	444	342	234	130	32	0
2,600	2,625	142	44	0	4,650	4,700	451	350	241	137	39	0
2,625	2,650	146	47	0	4,700	4,750	459	358	249	144	46	0
2,650	2,675	149	51	0	4,750	4,800	467	366	256	151	53	0
2,675	2,700	153	54	0	4,800	4,850	474	374	264	159	60	0
2,700	2,725	157	58	0	4,850	4,900	482	382	271	166	67	0
2,725	2,750	161	61	0	4,900	4,950	490	390	279	174	74	0
2,750	2,775	164	65	0	4,950	5,000	497	398	286	181	81	0
2,775	2,800	168	68	0								

TABLE IV—MARRIED PERSONS FILING SEPARATE RETURNS 10-PERCENT STANDARD DEDUCTION

Taxable Years Beginning After December 31, 1964, and Ending Before January 1, 1970

If adjusted gross income is—		And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—							
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7	8 or more
		The tax is—						The tax is—							
0	$675	0	0	0	0	$2,325	$2,350	$226	$131	$43	0	0	0	0	0
$675	700	$3	0	0	0	2,350	2,375	229	134	46	0	0	0	0	0
700	725	6	0	0	0	2,375	2,400	233	137	49	0	0	0	0	0
725	750	9	0	0	0	2,400	2,425	237	141	52	0	0	0	0	0
750	775	12	0	0	0	2,425	2,450	241	144	55	0	0	0	0	0
775	800	15	0	0	0	2,450	2,475	245	148	58	0	0	0	0	0
800	825	18	0	0	0	2,475	2,500	249	151	61	0	0	0	0	0
825	850	22	0	0	0	2,500	2,525	252	155	65	0	0	0	0	0
850	875	25	0	0	0	2,525	2,550	256	158	68	0	0	0	0	0
875	900	28	0	0	0	2,550	2,575	260	162	71	0	0	0	0	0
900	925	31	0	0	0	2,575	2,600	264	166	74	0	0	0	0	0
925	950	34	0	0	0	2,600	2,625	268	169	78	0	0	0	0	0
950	975	37	0	0	0	2,625	2,650	272	173	81	0	0	0	0	0
975	1,000	40	0	0	0	2,650	2,675	275	176	84	0	0	0	0	0
1,000	1,025	44	0	0	0	2,675	2,700	279	180	88	$3	0	0	0	0
1,025	1,050	47	0	0	0	2,700	2,725	283	184	91	6	0	0	0	0
1,050	1,075	50	0	0	0	2,725	2,750	287	187	95	9	0	0	0	0
1,075	1,100	53	0	0	0	2,750	2,775	291	191	98	12	0	0	0	0
1,100	1,125	56	0	0	0	2,775	2,800	294	194	101	15	0	0	0	0
1,125	1,150	59	0	0	0	2,800	2,825	298	198	105	18	0	0	0	0
1,150	1,175	62	0	0	0	2,825	2,850	302	202	108	22	0	0	0	0
1,175	1,200	66	0	0	0	2,850	2,875	306	205	111	25	0	0	0	0
1,200	1,225	69	0	0	0	2,875	2,900	310	209	115	28	0	0	0	0
1,225	1,250	72	0	0	0	2,900	2,925	314	212	118	31	0	0	0	0
1,250	1,275	75	0	0	0	2,925	2,950	318	216	122	34	0	0	0	0
1,275	1,300	79	0	0	0	2,950	2,975	323	220	125	37	0	0	0	0
1,300	1,325	82	0	0	0	2,975	3,000	327	223	128	40	0	0	0	0
1,325	1,350	86	$1	0	0	3,000	3,050	333	229	133	45	0	0	0	0
1,350	1,375	89	4	0	0	3,050	3,100	342	236	140	51	0	0	0	0
1,375	1,400	92	7	0	0	3,100	3,150	350	244	147	58	0	0	0	0
1,400	1,425	96	10	0	0	3,150	3,200	359	252	154	64	0	0	0	0
1,425	1,450	99	13	0	0	3,200	3,250	367	259	161	70	0	0	0	0
1,450	1,475	102	16	0	0	3,250	3,300	376	267	169	77	0	0	0	0
1,475	1,500	106	19	0	0	3,300	3,350	385	275	176	84	0	0	0	0
1,500	1,525	109	23	0	0	3,350	3,400	393	282	183	91	$5	0	0	0
1,525	1,550	113	26	0	0	3,400	3,450	402	290	190	97	12	0	0	0
1,550	1,575	116	29	0	0	3,450	3,500	410	298	197	104	18	0	0	0
1,575	1,600	119	32	0	0	3,500	3,550	419	305	205	111	24	0	0	0
1,600	1,625	123	35	0	0	3,550	3,600	427	313	212	118	30	0	0	0
1,625	1,650	126	38	0	0	3,600	3,650	436	322	219	124	37	0	0	0
1,650	1,675	129	41	0	0	3,650	3,700	444	330	226	131	43	0	0	0
1,675	1,700	133	45	0	0	3,700	3,750	453	339	234	138	49	0	0	0
1,700	1,725	136	48	0	0	3,750	3,800	462	348	242	145	56	0	0	0
1,725	1,750	140	51	0	0	3,800	3,850	470	356	249	152	62	0	0	0
1,750	1,775	143	54	0	0	3,850	3,900	479	365	257	159	68	0	0	0
1,775	1,800	146	57	0	0	3,900	3,950	487	373	265	166	75	0	0	0
1,800	1,825	150	60	0	0	3,950	4,000	496	382	272	173	82	0	0	0
1,825	1,850	154	64	0	0	4,000	4,050	504	390	280	181	88	$3	0	0
1,850	1,875	157	67	0	0	4,050	4,100	513	399	287	188	95	9	0	0
1,875	1,900	161	70	0	0	4,100	4,150	521	407	295	195	102	16	0	0
1,900	1,925	164	73	0	0	4,150	4,200	530	416	303	202	109	22	0	0
1,925	1,950	168	77	0	0	4,200	4,250	538	424	310	209	115	28	0	0
1,950	1,975	172	80	0	0	4,250	4,300	547	433	319	217	122	35	0	0
1,975	2,000	175	83	0	0	4,300	4,350	556	442	328	224	129	41	0	0
2,000	2,025	179	87	$2	0	4,350	4,400	564	450	336	231	136	47	0	0
2,025	2,050	182	90	5	0	4,400	4,450	573	459	345	239	142	54	0	0
2,050	2,075	186	93	8	0	4,450	4,500	581	467	353	247	149	60	0	0
2,075	2,100	190	97	11	0	4,500	4,550	590	476	362	254	157	66	0	0
2,100	2,125	193	100	14	0	4,550	4,600	598	484	370	262	164	73	0	0
2,125	2,150	197	104	17	0	4,600	4,650	607	493	379	270	171	79	0	0
2,150	2,175	200	107	20	0	4,650	4,700	615	501	387	277	178	86	$1	0
2,175	2,200	204	110	24	0	4,700	4,750	624	510	396	285	185	93	7	0
2,200	2,225	208	114	27	0	4,750	4,800	633	519	405	293	193	100	14	0
2,225	2,250	211	117	30	0	4,800	4,850	641	527	413	300	200	106	20	0
2,250	2,275	215	120	33	0	4,850	4,900	650	536	422	308	207	113	26	0
2,275	2,300	218	124	36	0	4,900	4,950	658	544	430	316	214	120	33	0
2,300	2,325	222	127	39	0	4,950	5,000	667	553	439	325	221	127	39	0

TABLE V—MARRIED PERSONS FILING SEPARATE RETURNS MINIMUM STANDARD DEDUCTION

Taxable Years Beginning After December 31, 1964, and Ending Before January 1, 1970

If adjusted gross income is—		And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—							
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7	8 or more
		The tax is—						The tax is—							
0	$800	0	0	0	0	$2,400	$2,425	$244	$132	$30	0	0	0	0	0
$800	825	$2	0	0	0	2,425	2,450	248	136	33	0	0	0	0	0
825	850	5	0	0	0	2,450	2,475	253	139	37	0	0	0	0	0
850	875	9	0	0	0	2,475	2,500	257	143	40	0	0	0	0	0
875	900	12	0	0	0	2,500	2,525	261	147	44	0	0	0	0	0
900	925	16	0	0	0	2,525	2,550	265	151	47	0	0	0	0	0
925	950	19	0	0	0	2,550	2,575	270	155	51	0	0	0	0	0
950	975	23	0	0	0	2,575	2,600	274	159	54	0	0	0	0	0
975	1,000	26	0	0	0	2,600	2,625	278	163	58	0	0	0	0	0
1,000	1,025	30	0	0	0	2,625	2,650	282	167	61	0	0	0	0	0
1,025	1,050	33	0	0	0	2,650	2,675	287	171	65	0	0	0	0	0
1,050	1,075	37	0	0	0	2,675	2,700	291	175	68	0	0	0	0	0
1,075	1,100	40	0	0	0	2,700	2,725	295	179	72	0	0	0	0	0
1,100	1,125	44	0	0	0	2,725	2,750	299	183	76	0	0	0	0	0
1,125	1,150	47	0	0	0	2,750	2,775	304	187	79	0	0	0	0	0
1,150	1,175	51	0	0	0	2,775	2,800	308	191	83	0	0	0	0	0
1,175	1,200	54	0	0	0	2,800	2,825	312	195	87	0	0	0	0	0
1,200	1,225	58	0	0	0	2,825	2,850	317	199	91	0	0	0	0	0
1,225	1,250	61	0	0	0	2,850	2,875	322	203	94	0	0	0	0	0
1,250	1,275	65	0	0	0	2,875	2,900	327	207	98	0	0	0	0	0
1,275	1,300	68	0	0	0	2,900	2,925	331	211	102	$2	0	0	0	0
1,300	1,325	72	0	0	0	2,925	2,950	336	215	106	5	0	0	0	0
1,325	1,350	76	0	0	0	2,950	2,975	341	219	109	9	0	0	0	0
1,350	1,375	79	0	0	0	2,975	3,000	346	223	113	12	0	0	0	0
1,375	1,400	83	0	0	0	3,000	3,050	353	229	119	18	0	0	0	0
1,400	1,425	87	0	0	0	3,050	3,100	362	238	126	25	0	0	0	0
1,425	1,450	91	0	0	0	3,100	3,150	372	246	134	32	0	0	0	0
1,450	1,475	94	0	0	0	3,150	3,200	381	255	141	39	0	0	0	0
1,475	1,500	98	0	0	0	3,200	3,250	391	263	149	46	0	0	0	0
1,500	1,525	102	$2	0	0	3,250	3,300	400	272	157	53	0	0	0	0
1,525	1,550	106	5	0	0	3,300	3,350	410	280	165	60	0	0	0	0
1,550	1,575	109	9	0	0	3,350	3,400	419	289	173	67	0	0	0	0
1,575	1,600	113	12	0	0	3,400	3,450	429	297	181	74	0	0	0	0
1,600	1,625	117	16	0	0	3,450	3,500	438	306	189	81	0	0	0	0
1,625	1,650	121	19	0	0	3,500	3,550	448	315	197	89	$4	0	0	0
1,650	1,675	124	23	0	0	3,550	3,600	457	324	205	96	11	0	0	0
1,675	1,700	128	26	0	0	3,600	3,650	467	334	213	104	18	0	0	0
1,700	1,725	132	30	0	0	3,650	3,700	476	343	221	111	25	0	0	0
1,725	1,750	136	33	0	0	3,700	3,750	486	353	229	119	32	0	0	0
1,750	1,775	139	37	0	0	3,750	3,800	495	362	238	126	39	0	0	0
1,775	1,800	143	40	0	0	3,800	3,850	505	372	246	134	46	0	0	0
1,800	1,825	147	44	0	0	3,850	3,900	514	381	255	141	53	0	0	0
1,825	1,850	151	47	0	0	3,900	3,950	524	391	263	149	60	0	0	0
1,850	1,875	155	51	0	0	3,950	4,000	533	400	272	157	67	0	0	0
1,875	1,900	159	54	0	0	4,000	4,050	543	410	280	165	74	0	0	0
1,900	1,925	163	58	0	0	4,050	4,100	552	419	289	173	81	0	0	0
1,925	1,950	167	61	0	0	4,100	4,150	562	429	297	181	89	$4	0	0
1,950	1,975	171	65	0	0	4,150	4,200	571	438	306	189	96	11	0	0
1,975	2,000	175	68	0	0	4,200	4,250	581	448	315	197	104	18	0	0
2,000	2,025	179	72	0	0	4,250	4,300	590	457	324	205	111	25	0	0
2,025	2,050	183	76	0	0	4,300	4,350	600	467	334	213	119	32	0	0
2,050	2,075	187	79	0	0	4,350	4,400	609	476	343	221	126	39	0	0
2,075	2,100	191	83	0	0	4,400	4,450	619	486	353	229	134	46	0	0
2,100	2,125	195	87	0	0	4,450	4,500	628	495	362	238	141	53	0	0
2,125	2,150	199	91	0	0	4,500	4,550	638	505	372	246	149	60	0	0
2,150	2,175	203	94	0	0	4,550	4,600	647	514	381	255	157	67	0	0
2,175	2,200	207	98	0	0	4,600	4,650	657	524	391	263	165	74	0	0
2,200	2,225	211	102	$2	0	4,650	4,700	666	533	400	272	173	81	0	0
2,225	2,250	215	106	5	0	4,700	4,750	676	543	410	280	181	89	$4	0
2,250	2,275	219	109	9	0	4,750	4,800	685	552	419	289	189	96	11	0
2,275	2,300	223	113	12	0	4,800	4,850	696	562	429	297	197	104	18	0
2,300	2,325	227	117	16	0	4,850	4,900	707	571	438	306	205	111	25	0
2,325	2,350	231	121	19	0	4,900	4,950	718	581	448	315	213	119	32	0
2,350	2,375	236	124	23	0	4,950	5,000	729	590	457	324	221	126	39	0
2,375	2,400	240	128	26	0										

TABLE I.—RETURNS CLAIMING 1 EXEMPTION

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—			
		Single, not head of household	Head of household	Married filing a separate return claiming—	
				Low income allowance	standard deduction
At least	But less than	Your tax is—			
0	$700	0	0	0	0
$700	725	0	0	0	$2
725	750	0	0	0	5
750	775	0	0	0	9
775	800	0	0	0	12
800	825	0	0	0	15
825	850	0	0	$2	18
850	875	0	0	5	21
875	900	0	0	9	24
900	925	0	0	12	27
925	950	0	0	16	31
950	975	0	0	19	34
975	1,000	0	0	23	37
1,000	1,025	0	0	26	40
1,025	1,050	0	0	30	43
1,050	1,075	0	0	33	46
1,075	1,100	0	0	37	50
1,100	1,125	0	0	40	53
1,125	1,150	0	0	44	56
1,150	1,175	0	0	47	59
1,175	1,200	0	0	51	62
1,200	1,225	0	0	54	65
1,225	1,250	0	0	58	68
1,250	1,275	0	0	61	72
1,275	1,300	0	0	65	75
1,300	1,325	0	0	68	78
1,325	1,350	0	0	72	82
1,350	1,375	0	0	76	85
1,375	1,400	0	0	79	89
1,400	1,425	0	0	83	92
1,425	1,450	0	0	87	95
1,450	1,475	0	0	91	99
1,475	1,500	0	0	94	102
1,500	1,525	0	0	98	105
1,525	1,550	0	0	102	109
1,550	1,575	0	0	106	112
1,575	1,600	0	0	109	116
1,600	1,625	0	0	113	119
1,625	1,650	0	0	117	122
1,650	1,675	0	0	121	126
1,675	1,700	0	0	124	129
1,700	1,725	0	0	128	132
1,725	1,750	$3	$3	132	136
1,750	1,775	8	8	136	139
1,775	1,800	13	13	139	143
1,800	1,825	18	18	143	146
1,825	1,850	24	24	147	150
1,850	1,875	29	29	151	153
1,875	1,900	34	34	155	157
1,900	1,925	39	39	159	160
1,925	1,950	45	45	163	164
1,950	1,975	50	50	167	168
1,975	2,000	55	55	171	171
2,000	2,025	60	60	175	175
2,025	2,050	66	66	179	178
2,050	2,075	71	71	183	182
2,075	2,100	77	76	187	186
2,100	2,125	82	81	191	189
2,125	2,150	88	87	195	193
2,150	2,175	93	92	199	196
2,175	2,200	99	97	203	200
2,200	2,225	105	102	207	204
2,225	2,250	110	108	211	207
2,250	2,275	116	113	215	211
2,275	2,300	122	118	219	214
2,300	2,325	127	123	223	218
2,325	2,350	133	129	227	222
2,350	2,375	138	134	231	225
2,375	2,400	144	139	236	229
2,400	2,425	150	145	240	233
2,425	2,450	156	151	244	237
2,450	2,475	162	157	248	241
2,475	2,500	168	163	253	244
2,500	2,525	174	169	257	248
2,525	2,550	180	175	261	252
2,550	2,575	186	181	265	256
2,575	2,600	192	187	270	260
2,600	2,625	198	193	274	263
2,625	2,650	204	199	278	267
2,650	2,675	210	205	282	271
2,675	2,700	216	211	287	275
2,700	2,725	222	217	291	279
2,725	2,750	228	223	295	283
2,750	2,775	235	229	299	286
2,775	2,800	241	235	304	290
2,800	2,825	247	241	308	294
2,825	2,850	254	247	312	298
2,850	2,875	260	253	317	302
2,875	2,900	266	259	322	306
2,900	2,925	273	265	327	309
2,925	2,950	279	271	331	314
2,950	2,975	286	277	336	318
2,975	3,000	292	283	341	322
3,000	3,050	302	292	348	329
3,050	3,100	315	305	358	337
3,100	3,150	329	318	367	346
3,150	3,200	343	332	377	354
3,200	3,250	358	345	386	363
3,250	3,300	371	358	396	371
3,300	3,350	380	366	405	380
3,350	3,400	388	374	415	388
3,400	3,450	397	382	424	397
3,450	3,500	405	390	434	405
3,500	3,550	414	399	443	414
3,550	3,600	423	407	453	423
3,600	3,650	431	415	462	431
3,650	3,700	440	423	472	440
3,700	3,750	448	431	481	448
3,750	3,800	457	439	491	457
3,800	3,850	465	447	500	465
3,850	3,900	474	455	510	474
3,900	3,950	482	463	519	482
3,950	4,000	491	471	529	491
4,000	4,050	500	480	538	500
4,050	4,100	508	488	548	508
4,100	4,150	517	496	557	517
4,150	4,200	525	504	567	525
4,200	4,250	534	512	576	534

TABLE I.—RETURNS CLAIMING 1 EXEMPTION—Continued

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—			
		Single, not head of household	Head of household	Married filing a separate return claiming—	
				Low income allowance	standard deduction
At least	But less than	Your tax is—			
$4,250	$4,300	$542	$520	$586	$542
4,300	4,350	551	528	595	551
4,350	4,400	559	536	605	559
4,400	4,450	568	544	614	568
4,450	4,500	576	552	624	576
4,500	4,550	585	561	633	585
4,550	4,600	594	569	643	594
4,600	4,650	602	577	652	602
4,650	4,700	611	585	662	611
4,700	4,750	619	593	671	619
4,750	4,800	628	601	681	628
4,800	4,850	636	609	690	636
4,850	4,900	645	617	701	645
4,900	4,950	653	625	712	653
4,950	5,000	662	633	723	662
5,000	5,050	671	642	734	671
5,050	5,100	679	650	745	681
5,100	5,150	688	658	756	690
5,150	5,200	697	667	767	701
5,200	5,250	707	676	778	712
5,250	5,300	717	685	789	723
5,300	5,350	727	694	800	734
5,350	5,400	737	703	811	745
5,400	5,450	747	712	822	756
5,450	5,500	757	721	833	767
5,500	5,550	766	730	844	778
5,550	5,600	776	739	855	789
5,600	5,650	786	748	866	800
5,650	5,700	796	757	877	811
5,700	5,750	806	766	888	822
5,750	5,800	816	775	899	833
5,800	5,850	826	784	910	844
5,850	5,900	836	793	921	855
5,900	5,950	846	802	932	866
5,950	6,000	856	811	943	877
6,000	6,050	865	820	954	888
6,050	6,100	875	829	965	899
6,100	6,150	885	838	976	910
6,150	6,200	895	847	987	921
6,200	6,250	905	856	998	932
6,250	6,300	915	865	1,009	943
6,300	6,350	925	874	1,020	954
6,350	6,400	935	883	1,031	965
6,400	6,450	945	892	1,042	976
6,450	6,500	955	901	1,053	987
6,500	6,550	964	910	1,064	998
6,550	6,600	974	919	1,075	1,009
6,600	6,650	984	928	1,086	1,020
6,650	6,700	994	937	1,097	1,031
6,700	6,750	1,004	946	1,108	1,042
6,750	6,800	1,014	955	1,119	1,053
6,800	6,850	1,024	964	1,130	1,064
6,850	6,900	1,034	973	1,143	1,075
6,900	6,950	1,044	982	1,155	1,086
6,950	7,000	1,054	991	1,168	1,097
7,000	7,050	1,063	1,000	1,180	1,108
7,050	7,100	1,073	1,009	1,193	1,119
7,100	7,150	1,083	1,018	1,205	1,130
7,150	7,200	1,093	1,027	1,218	1,143
7,200	7,250	1,103	1,036	1,230	1,155
7,250	7,300	1,113	1,045	1,243	1,168
7,300	7,350	1,123	1,054	1,255	1,180
7,350	7,400	1,133	1,063	1,268	1,193
7,400	7,450	1,144	1,073	1,280	1,205
7,450	7,500	1,156	1,083	1,293	1,218
7,500	7,550	1,167	1,092	1,305	1,230
7,550	7,600	1,178	1,102	1,318	1,243
7,600	7,650	1,189	1,112	1,330	1,255
7,650	7,700	1,201	1,122	1,343	1,268
7,700	7,750	1,212	1,132	1,355	1,280
7,750	7,800	1,223	1,142	1,368	1,293
7,800	7,850	1,234	1,152	1,380	1,305
7,850	7,900	1,246	1,162	1,393	1,318
7,900	7,950	1,257	1,172	1,405	1,330
7,950	8,000	1,268	1,182	1,418	1,343
8,000	8,050	1,279	1,191	1,430	1,355
8,050	8,100	1,291	1,201	1,443	1,368
8,100	8,150	1,302	1,211	1,455	1,380
8,100	8,150	1,302	1,211	1,455	1,380
8,150	8,200	1,313	1,221	1,468	1,393
8,200	8,250	1,324	1,231	1,480	1,405
8,250	8,300	1,336	1,241	1,493	1,418
8,300	8,350	1,347	1,251	1,505	1,430
8,350	8,400	1,358	1,261	1,518	1,443
8,400	8,450	1,369	1,271	1,530	1,455
8,450	8,500	1,381	1,281	1,543	1,468
8,500	8,550	1,392	1,290	1,555	1,480
8,550	8,600	1,403	1,300	1,568	1,493
8,600	8,650	1,414	1,310	1,580	1,505
8,650	8,700	1,426	1,320	1,593	1,518
8,700	8,750	1,437	1,330	1,605	1,530
8,750	8,800	1,448	1,340	1,618	1,543
8,800	8,850	1,459	1,350	1,630	1,555
8,850	8,900	1,471	1,360	1,644	1,568
8,900	8,950	1,482	1,370	1,658	1,580
8,950	9,000	1,493	1,380	1,672	1,593
9,000	9,050	1,504	1,389	1,686	1,605
9,050	9,100	1,516	1,399	1,700	1,618
9,100	9,150	1,527	1,409	1,714	1,630
9,150	9,200	1,538	1,419	1,728	1,644
9,200	9,250	1,549	1,429	1,742	1,658
9,250	9,300	1,561	1,439	1,756	1,672
9,300	9,350	1,572	1,449	1,770	1,686
9,350	9,400	1,583	1,459	1,784	1,700
9,400	9,450	1,594	1,469	1,798	1,714
9,450	9,500	1,606	1,479	1,812	1,728
9,500	9,550	1,617	1,488	1,826	1,742
9,550	9,600	1,628	1,498	1,840	1,756
9,600	9,650	1,641	1,509	1,854	1,770
9,650	9,700	1,653	1,521	1,868	1,784
9,700	9,750	1,666	1,532	1,882	1,798
9,750	9,800	1,678	1,543	1,896	1,812
9,800	9,850	1,691	1,554	1,910	1,826
9,850	9,900	1,704	1,566	1,924	1,840
9,900	9,950	1,716	1,577	1,938	1,854
9,950	10,000	1,729	1,588	1,952	1,868

TABLE II—RETURNS CLAIMING 2 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$1,400	0	0	0	0	0
$1,400	1,425	0	0	0	0	$3
1,425	1,450	0	0	0	0	6
1,450	1,475	0	0	0	0	9
1,475	1,500	0	0	0	0	12
1,500	1,525	0	0	0	0	16
1,525	1,550	0	0	0	0	19
1,550	1,575	0	0	0	$2	22
1,575	1,600	0	0	0	5	25
1,600	1,625	0	0	0	9	28
1,625	1,650	0	0	0	12	31
1,650	1,675	0	0	0	16	34
1,675	1,700	0	0	0	19	38
1,700	1,725	0	0	0	23	41
1,725	1,750	0	0	0	26	44
1,750	1,775	0	0	0	30	47
1,775	1,800	0	0	0	33	50
1,800	1,825	0	0	0	37	53
1,825	1,850	0	0	0	40	57
1,850	1,875	0	0	0	44	60
1,875	1,900	0	0	0	47	63
1,900	1,925	0	0	0	51	66
1,925	1,950	0	0	0	54	69
1,950	1,975	0	0	0	58	72
1,975	2,000	0	0	0	61	76
2,000	2,025	0	0	0	65	79
2,025	2,050	0	0	0	68	83
2,050	2,075	0	0	0	72	86
2,075	2,100	0	0	0	76	89
2,100	2,125	0	0	0	79	93
2,125	2,150	0	0	0	83	96
2,150	2,175	0	0	0	87	99
2,175	2,200	0	0	0	91	103
2,200	2,225	0	0	0	94	106
2,225	2,250	0	0	0	98	110
2,250	2,275	0	0	0	102	113
2,275	2,300	0	0	0	106	116
2,300	2,325	0	0	0	109	120
2,325	2,350	0	0	0	113	123
2,350	2,375	$3	$3	$3	117	126
2,375	2,400	8	8	8	121	130
2,400	2,425	13	13	13	124	133
2,425	2,450	18	18	18	128	137
2,450	2,475	24	24	24	132	140
2,475	2,500	29	29	29	136	143
2,500	2,525	34	34	34	139	147
2,525	2,550	39	39	39	143	150
2,550	2,575	45	45	45	147	154
2,575	2,600	50	50	50	151	158
2,600	2,625	55	55	55	155	161
2,625	2,650	60	60	60	159	165
2,650	2,675	66	66	66	163	168
$2,675	$2,700	$71	$71	$71	$167	$172
2,700	2,725	77	76	76	171	176
2,725	2,750	82	81	81	175	179
2,750	2,775	88	87	87	179	183
2,775	2,800	93	92	92	183	186
2,800	2,825	99	97	97	187	190
2,825	2,850	105	102	102	191	194
2,850	2,875	110	108	108	195	197
2,875	2,900	116	113	113	199	201
2,900	2,925	122	118	118	203	204
2,925	2,950	127	123	123	207	208
2,950	2,975	133	129	129	211	212
2,975	3,000	138	134	134	215	215
3,000	3,050	147	142	142	221	221
3,050	3,100	159	154	153	229	228
3,100	3,150	171	166	164	238	236
3,150	3,200	183	178	176	246	243
3,200	3,250	195	190	187	255	251
3,250	3,300	207	202	198	263	259
3,300	3,350	219	214	209	272	266
3,350	3,400	231	226	221	280	274
3,400	3,450	244	238	232	289	282
3,450	3,500	257	250	243	297	289
3,500	3,550	270	262	254	306	297
3,550	3,600	282	274	266	315	304
3,600	3,650	295	286	277	324	312
3,650	3,700	308	298	288	334	321
3,700	3,750	322	311	300	343	329
3,750	3,800	334	323	310	353	338
3,800	3,850	343	332	318	362	347
3,850	3,900	353	341	326	372	355
3,900	3,950	362	350	334	381	364
3,950	4,000	372	359	342	391	372
4,000	4,050	381	367	350	400	381
4,050	4,100	389	375	357	410	389
4,100	4,150	398	383	364	419	398
4,150	4,200	406	391	371	429	406
4,200	4,250	415	399	378	438	415
4,250	4,300	425	408	386	448	424
4,300	4,350	432	416	393	457	432
4,350	4,400	441	424	400	467	441
4,400	4,450	449	432	407	476	449
4,450	4,500	458	440	414	486	458
4,500	4,550	466	448	422	495	466
4,550	4,600	475	456	429	505	475
4,600	4,650	483	464	436	514	483
4,650	4,700	492	472	443	524	492
4,700	4,750	500	480	450	533	500
4,750	4,800	509	489	458	543	509
4,800	4,850	518	497	466	552	518
4,850	4,900	526	505	473	562	526
4,900	4,950	535	513	481	571	535

TABLE II—RETURNS CLAIMING 2 EXEMPTIONS—Continued

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married filing a separate return claiming—		
At least	But less than			Low income allowance	standard deduction	
		Your tax is—				
$4,950	$5,000	$543	$521	$489	$581	$543
5,000	5,050	552	529	496	590	552
5,050	5,100	560	537	504	600	562
5,100	5,150	569	545	512	609	571
5,150	5,200	577	553	519	619	581
5,200	5,250	586	561	527	628	590
5,250	5,300	595	570	535	638	600
5,300	5,350	603	578	542	647	609
5,350	5,400	612	586	550	657	619
5,400	5,450	620	594	558	666	628
5,450	5,500	629	602	565	676	638
5,500	5,550	637	610	573	685	647
5,550	5,600	646	618	580	696	657
5,600	5,650	654	626	588	707	666
5,650	5,700	663	634	596	718	676
5,700	5,750	671	642	603	729	685
5,750	5,800	680	651	611	740	696
5,800	5,850	689	659	619	751	707
5,850	5,900	698	668	627	762	718
5,900	5,950	708	677	636	773	729
5,950	6,000	718	686	644	784	740
6,000	6,050	728	695	653	795	751
6,050	6,100	738	704	661	806	762
6,100	6,150	748	713	670	817	773
6,150	6,200	758	722	678	828	784
6,200	6,250	768	731	687	839	795
6,250	6,300	777	740	696	850	806
6,300	6,350	787	749	704	861	817
6,350	6,400	797	758	713	872	828
6,400	6,450	807	767	721	883	839
6,450	6,500	817	776	730	894	850
6,500	6,550	827	785	738	905	861
6,550	6,600	837	794	747	916	872
6,600	6,650	847	803	755	927	883
6,650	6,700	857	812	764	938	894
6,700	6,750	867	821	772	949	905
6,750	6,800	876	830	781	960	916
6,800	6,850	886	839	790	971	927
6,850	6,900	896	848	798	982	938
6,900	6,950	906	857	807	993	949
6,950	7,000	916	866	815	1,004	960
7,000	7,050	926	875	824	1,015	971
7,050	7,100	936	884	832	1,026	982
7,100	7,150	946	893	841	1,037	993
7,150	7,200	956	902	849	1,048	1,004
7,200	7,250	966	911	858	1,059	1,015
7,250	7,300	975	920	867	1,070	1,026
7,300	7,350	985	929	875	1,081	1,037
7,350	7,400	995	938	884	1,092	1,048
7,400	7,450	1,005	947	892	1,103	1,059
7,450	7,500	1,015	956	901	1,114	1,070
$7,500	$7,550	$1,025	$965	$909	$1,125	$1,081
7,550	7,600	1,035	974	918	1,136	1,092
7,600	7,650	1,045	983	926	1,149	1,103
7,650	7,700	1,055	992	935	1,161	1,114
7,700	7,750	1,065	1,001	943	1,174	1,125
7,750	7,800	1,074	1,010	952	1,186	1,136
7,800	7,850	1,084	1,019	961	1,199	1,149
7,850	7,900	1,094	1,028	969	1,211	1,161
7,900	7,950	1,104	1,037	978	1,224	1,174
7,950	8,000	1,114	1,046	986	1,236	1,186
8,000	8,050	1,124	1,055	995	1,249	1,199
8,050	8,100	1,134	1,064	1,003	1,261	1,211
8,100	8,150	1,146	1,074	1,012	1,274	1,224
8,150	8,200	1,157	1,084	1,020	1,286	1,236
8,200	8,250	1,168	1,094	1,029	1,299	1,249
8,250	8,300	1,179	1,103	1,038	1,311	1,261
8,300	8,350	1,191	1,113	1,046	1,324	1,274
8,350	8,400	1,202	1,123	1,055	1,336	1,286
8,400	8,450	1,213	1,133	1,063	1,349	1,299
8,450	8,500	1,224	1,143	1,072	1,361	1,311
8,500	8,550	1,236	1,153	1,080	1,374	1,324
8,550	8,600	1,247	1,163	1,089	1,386	1,336
8,600	8,650	1,258	1,173	1,097	1,399	1,349
8,650	8,700	1,269	1,183	1,106	1,411	1,361
8,700	8,750	1,281	1,193	1,114	1,424	1,374
8,750	8,800	1,292	1,202	1,123	1,436	1,386
8,800	8,850	1,303	1,212	1,132	1,449	1,399
8,850	8,900	1,314	1,222	1,140	1,461	1,411
8,900	8,950	1,326	1,232	1,149	1,474	1,424
8,950	9,000	1,337	1,242	1,157	1,486	1,436
9,000	9,050	1,348	1,252	1,166	1,499	1,449
9,050	9,100	1,359	1,262	1,174	1,511	1,461
9,100	9,150	1,371	1,272	1,183	1,524	1,474
9,150	9,200	1,382	1,282	1,191	1,536	1,486
9,200	9,250	1,393	1,292	1,200	1,549	1,499
9,250	9,300	1,404	1,301	1,209	1,561	1,511
9,300	9,350	1,416	1,311	1,217	1,574	1,524
9,350	9,400	1,427	1,321	1,226	1,586	1,536
9,400	9,450	1,438	1,331	1,234	1,599	1,549
9,450	9,500	1,449	1,341	1,243	1,611	1,561
9,500	9,550	1,461	1,351	1,251	1,624	1,574
9,550	9,600	1,472	1,361	1,260	1,637	1,586
9,600	9,650	1,483	1,371	1,268	1,651	1,599
9,650	9,700	1,494	1,381	1,277	1,665	1,611
9,700	9,750	1,506	1,391	1,285	1,679	1,624
9,750	9,800	1,517	1,400	1,294	1,693	1,637
9,800	9,850	1,528	1,410	1,303	1,707	1,651
9,850	9,900	1,539	1,420	1,311	1,721	1,665
9,900	9,950	1,551	1,430	1,320	1,735	1,679
9,950	10,000	1,562	1,440	1,328	1,749	1,693

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE III—RETURNS CLAIMING 3 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$2,075	0	0	0	0	0
$2,075	2,100	0	0	0	0	$1
2,100	2,125	0	0	0	0	4
2,125	2,150	0	0	0	0	7
2,150	2,175	0	0	0	0	10
2,175	2,200	0	0	0	0	13
2,200	2,225	0	0	0	0	16
2,225	2,250	0	0	0	0	19
2,250	2,275	0	0	0	0	23
2,275	2,300	0	0	0	$2	26
2,300	2,325	0	0	0	5	29
2,325	2,350	0	0	0	9	32
2,350	2,375	0	0	0	12	3
2,375	2,400	0	0	0	16	38
2,400	2,425	0	0	0	19	41
2,425	2,450	0	0	0	23	45
2,450	2,475	0	0	0	26	48
2,475	2,500	0	0	0	30	51
2,500	2,525	0	0	0	33	54
2,525	2,550	0	0	0	37	57
2,550	2,575	0	0	0	40	60
2,575	2,600	0	0	0	44	64
2,600	2,625	0	0	0	47	67
2,625	2,650	0	0	0	51	70
2,650	2,675	0	0	0	54	73
2,675	2,700	0	0	0	58	77
2,700	2,725	0	0	0	61	80
2,725	2,750	0	0	0	65	83
2,750	2,775	0	0	0	68	87
2,775	2,800	0	0	0	72	90
2,800	2,825	0	0	0	76	93
2,825	2,850	0	0	0	79	97
2,850	2,875	0	0	0	83	100
2,875	2,900	0	0	0	87	104
2,900	2,925	0	0	0	91	107
2,925	2,950	0	0	0	94	110
2,950	2,975	0	0	0	98	114
2,950	2,965	0	0	0	98	114
2,975	3,000	$3	$3	$3	102	117
3,000	3,050	11	11	11	108	122
3,050	3,100	21	21	21	115	129
3,100	3,150	32	32	32	123	136
3,150	3,200	42	42	42	130	142
3,200	3,250	53	53	53	138	149
3,250	3,300	63	63	63	145	157
3,300	3,350	74	74	74	153	164
$3,350	$3,400	$85	$84	$84	$161	$171
3,400	3,450	96	95	95	169	178
3,450	3,500	108	105	105	177	185
3,500	3,550	119	116	116	185	193
3,550	3,600	130	126	126	193	200
3,600	3,650	141	137	137	201	207
3,650	3,700	153	148	148	209	214
3,700	3,750	165	160	159	217	221
3,750	3,800	177	172	170	225	229
3,800	3,850	189	184	181	234	236
3,850	3,900	201	196	193	242	244
3,900	3,950	213	208	204	251	252
3,950	4,000	225	220	215	259	259
4,000	4,050	238	232	226	268	267
4,050	4,100	251	244	238	276	275
4,100	4,150	263	256	249	285	282
4,150	4,200	276	268	260	293	290
4,200	4,250	285	276	268	302	298
4,250	4,300	293	284	275	310	305
4,300	4,350	302	292	283	320	313
4,350	4,400	310	300	290	329	322
4,400	4,450	320	309	298	339	330
4,450	4,500	329	318	306	348	339
4,500	4,550	339	327	314	358	348
4,550	4,600	348	336	322	367	356
4,600	4,650	358	345	330	377	365
4,650	4,700	367	354	338	386	373
4,700	4,750	377	363	346	396	382
4,750	4,800	386	372	354	405	390
4,800	4,850	396	381	362	415	399
4,850	4,900	405	390	370	424	407
4,900	4,950	415	399	378	434	416
4,950	5,000	424	408	386	443	424
5,000	5,050	433	417	394	453	434
5,050	5,100	442	425	401	462	443
5,100	5,150	450	433	408	472	453
5,150	5,200	459	441	415	481	462
5,200	5,250	467	449	422	491	472
5,250	5,300	476	457	430	500	481
5,300	5,350	484	465	437	510	491
5,350	5,400	493	473	444	519	500
5,400	5,450	501	481	451	529	510
5,450	5,500	510	489	459	538	519
5,500	5,550	519	498	467	548	529
5,550	5,600	527	506	474	557	538
5,600	5,650	536	514	482	567	548

TABLE III—RETURNS CLAIMING 3 EXEMPTIONS—Continued

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
$5,650	$5,700	$544	$522	$490	$576	$557
5,700	5,750	553	530	497	586	567
5,750	5,800	561	538	505	595	576
5,800	5,850	570	546	512	605	586
5,850	5,900	578	554	520	614	595
5,900	5,950	587	562	528	624	605
5,950	6,000	595	570	535	633	614
6,000	6,050	604	579	543	643	624
6,050	6,100	613	587	551	652	633
6,100	6,150	621	595	558	662	643
6,150	6,200	630	603	566	671	652
6,200	6,250	638	611	574	681	662
6,250	6,300	647	619	581	690	671
6,300	6,350	655	627	589	701	681
6,350	6,400	664	635	597	712	690
6,400	6,450	672	643	604	723	701
6,450	6,500	681	651	612	734	712
6,500	6,550	690	660	620	745	723
6,550	6,600	699	669	628	756	734
6,600	6,650	709	678	637	767	745
6,650	6,700	719	687	645	778	756
6,700	6,750	729	696	654	789	767
6,750	6,800	739	705	662	800	778
6,800	6,850	749	714	671	811	789
6,850	6,900	759	723	679	822	800
6,900	6,950	769	732	688	833	811
6,950	7,000	779	741	696	844	822
7,000	7,050	788	750	705	855	833
7,050	7,100	798	759	714	866	844
7,100	7,150	808	768	722	877	855
7,150	7,200	818	777	731	888	866
7,200	7,250	828	786	739	899	877
7,250	7,300	838	795	748	910	888
7,300	7,350	848	804	756	921	899
7,350	7,400	858	813	765	932	910
7,400	7,450	868	822	773	943	821
7,450	7,500	878	831	782	954	932
7,500	7,550	887	840	791	965	943
7,550	7,600	897	849	799	976	954
7,600	7,650	907	858	808	987	965
7,650	7,700	917	867	816	998	976
7,700	7,750	927	876	825	1,009	987
7,750	7,800	937	885	833	1,020	998
7,800	7,850	947	894	842	1,031	1,009
$7,850	$7,900	$957	$903	$850	$1,042	$1,020
7,900	7,950	967	912	859	1,053	1,031
7,950	8,000	977	921	867	1,064	1,042
8,000	8,050	986	930	876	1,075	1,053
8,050	8,100	996	939	885	1,086	1,064
8,100	8,150	1,006	948	893	1,097	1,075
8,150	8,200	1,016	957	902	1,108	1,086
8,200	8,250	1,026	966	910	1,119	1,097
8,250	8,300	1,036	975	919	1,130	1,108
8,300	8,350	1,046	984	927	1,143	1,119
8,350	8,400	1,056	993	936	1,155	1,130
8,400	8,450	1,066	1,002	944	1,168	1,143
8,450	8,500	1,076	1,011	953	1,180	1,155
8,500	8,550	1,085	1,020	962	1,193	1,168
8,550	8,600	1,095	1,029	970	1,205	1,180
8,600	8,650	1,105	1,038	979	1,218	1,193
8,650	8,700	1,115	1,047	987	1,230	1,205
8,700	8,750	1,125	1,056	996	1,243	1,218
8,750	8,800	1,136	1,065	1,004	1,255	1,230
8,800	8,850	1,147	1,075	1,013	1,268	1,243
8,850	8,900	1,158	1,085	1,021	1,280	1,255
8,900	8,950	1,169	1,095	1,030	1,293	1,268
8,950	9,000	1,181	1,105	1,038	1,305	1,280
9,000	9,050	1,192	1,114	1,047	1,318	1,293
9,050	9,100	1,203	1,124	1,056	1,330	1,305
9,100	9,150	1,214	1,134	1,064	1,343	1,318
9,150	9,200	1,226	1,144	1,073	1,355	1,330
9,200	9,250	1,237	1,154	1,081	1,368	1,343
9,250	9,300	1,248	1,164	1,090	1,380	1,355
9,300	9,350	1,259	1,174	1,098	1,393	1,368
9,350	9,400	1,271	1,184	1,107	1,405	1,380
9,400	9,450	1,282	1,194	1,115	1,418	1,393
9,450	9,500	1,293	1,204	1,124	1,430	1,405
9,500	9,550	1,304	1,213	1,133	1,443	1,418
9,550	9,600	1,316	1,223	1,141	1,455	1,430
9,600	9,650	1,327	1,233	1,150	1,468	1,443
9,650	9,700	1,338	1,243	1,158	1,480	1,455
9,700	9,750	1,349	1,253	1,167	1,493	1,468
9,750	9,800	1,361	1,263	1,175	1,505	1,480
9,800	9,850	1,372	1,273	1,184	1,518	1,493
9,850	9,900	1,383	1,283	1,192	1,530	1,505
9,900	9,950	1,394	1,293	1,201	1,543	1,518
9,950	10,000	1,406	1,303	1,209	1,555	1,530

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE IV—RETURNS CLAIMING 4 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$2,775	0	0	0	0	0
$2,775	2,800	0	0	0	0	$1
2,800	2,825	0	0	0	0	4
2,825	2,850	0	0	0	0	8
2,850	2,875	0	0	0	0	11
2,875	2,900	0	0	0	0	14
2,900	2,925	0	0	0	0	17
2,925	2,950	0	0	0	0	20
2,950	2,975	0	0	0	0	23
2,975	3,000	0	0	0	0	26
3,000	3,050	0	0	0	$4	31
3,050	3,100	0	0	0	11	37
3,100	3,150	0	0	0	18	44
3,150	3,200	0	0	0	25	50
3,200	3,250	0	0	0	32	56
3,250	3,300	0	0	0	39	63
3,300	3,350	0	0	0	46	69
3,350	3,400	0	0	0	53	76
3,400	3,450	0	0	0	60	82
3,450	3,500	0	0	0	67	89
3,500	3,550	0	0	0	74	96
3,550	3,600	0	0	0	81	103
3,600	3,650	$5	$5	$5	89	109
3,650	3,700	16	16	16	96	116
3,700	3,750	26	26	26	104	123
3,750	3,800	37	37	37	111	130
3,800	3,850	47	47	47	119	136
3,850	3,900	58	58	58	126	143
3,900	3,950	68	68	68	134	150
3,950	4,000	79	79	79	141	157
4,000	4,050	91	89	89	149	165
4,050	4,100	102	100	100	157	172
4,100	4,150	113	110	110	165	179
4,150	4,200	124	121	121	173	186
4,200	4,250	136	131	131	181	193
4,250	4,300	147	142	142	189	201
4,300	4,350	159	154	153	197	208
4,350	4,400	171	166	164	205	215
4,400	4,450	183	178	176	213	222
4,450	4,500	195	190	187	221	230
4,500	4,550	207	202	198	229	237
4,550	4,600	219	214	209	238	245
4,600	4,650	229	224	219	246	253
4,650	4,700	238	232	226	255	260
4,700	4,750	246	240	234	263	268
4,750	4,800	255	248	241	272	276
4,800	4,850	263	256	249	280	283
4,850	4,900	272	264	256	289	291
4,900	4,950	280	272	264	297	299
4,950	5,000	289	280	271	306	306
5,000	5,050	297	288	279	315	315
5,050	5,100	306	296	286	324	324
5,100	5,150	315	305	294	334	334
5,150	5,200	324	314	302	343	343
5,200	5,250	334	323	310	353	353
5,250	5,300	343	332	318	362	362
5,300	5,350	353	341	326	372	372
5,350	5,400	362	350	334	381	381
5,400	4,450	372	359	342	391	391
5,450	5,500	381	368	350	400	400
5,500	5,550	391	377	358	410	410
5,550	5,600	400	386	366	419	419
5,600	5,650	410	395	374	429	429
5,650	5,700	419	404	382	438	438
5,700	5,750	429	413	390	448	448
5,750	5,800	438	422	398	457	457
5,800	5,850	448	431	406	467	467
5,850	5,900	457	440	414	476	476
5,900	5,950	467	449	422	486	486
5,950	6,000	476	458	430	495	495
6,000	6,050	485	466	438	505	505
6,050	6,100	494	474	445	514	514
6,100	5,150	502	482	452	524	524
6,150	6,200	511	490	460	533	533
6,200	6,250	519	498	467	543	543
6,250	6,300	528	507	475	552	552

TABLE IV—RETURNS CLAIMING 4 EXEMPTIONS—Continued

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
$6,300	$6,350	$537	$515	$483	$562	$562
6,350	6,400	545	523	490	571	571
6,400	6,450	554	531	498	581	581
6,450	6,500	562	539	506	590	590
6,500	6,550	571	547	513	600	600
6,550	6,600	579	555	521	609	609
6,600	6,650	588	563	529	619	619
6,650	6,700	596	571	536	628	628
6,700	6,750	605	579	544	638	638
6,750	6,800	614	588	552	547	647
6,800	6,850	622	596	559	657	657
6,850	6,900	631	604	567	666	666
6,900	6,950	639	612	575	676	676
6,950	7,000	648	620	582	685	685
7,000	7,050	656	628	590	696	696
7,050	7,100	665	636	597	707	707
7,100	7,150	673	644	605	718	718
7,150	7,200	682	652	613	729	729
7,200	7,250	691	661	620	740	740
7,250	7,300	700	670	629	751	751
7,300	7,350	710	679	638	762	762
7,350	7,400	720	688	646	773	773
7,400	7,450	730	697	655	784	784
7,450	7,500	740	706	663	795	795
7,500	7,550	750	715	672	806	806
7,550	7,600	760	724	680	817	817
7,600	7,650	770	733	689	828	828
7,650	7,700	780	742	697	839	839
7,700	7,750	790	751	706	850	850
7,750	7,800	799	760	715	861	861
7,800	7,850	809	769	723	872	872
7,850	7,900	819	778	732	883	883
7,900	7,950	829	787	740	894	894
7,950	8,000	839	796	749	905	905
8,000	8,050	849	805	757	916	916
8,050	8,100	859	814	766	927	927
8,100	8,150	869	823	774	938	938
8,150	8,200	879	832	783	949	949
8,200	8,250	889	841	791	960	960
8,250	8,300	898	850	800	971	971
8,300	8,350	908	859	809	982	982
8,350	8,400	918	868	817	993	993
8,400	8,450	928	877	826	1,004	1,004
8,450	8,500	938	886	834	1,015	1,015
8,500	8,550	948	895	843	1,026	1,026
8,550	8,600	958	904	851	1,037	1,037
8,600	8,650	968	913	860	1,048	1,048
8,650	8,700	978	922	868	1,059	1,059
8,700	8,750	988	931	877	1,070	1,070
8,750	8,800	997	940	886	1,081	1,081
8,800	8,850	1,007	949	894	1,092	1,092
8,850	8,900	1,017	958	903	1,103	1,103
8,900	8,950	1,027	967	911	1,114	1,114
8,950	9,000	1,037	976	920	1,125	1,125
9,000	9,050	1,047	985	928	1,136	1,136
9,050	9,100	1,057	994	937	1,149	1,149
9,100	9,150	1,067	1,003	945	1,161	1,161
9,150	9,200	1,077	1,012	954	1,174	1,174
9,200	9,250	1,087	1,021	962	1,186	1,186
9,250	9,300	1,096	1,030	971	1,199	1,199
9,300	9,350	1,106	1,039	980	1,211	1,211
9,350	9,400	1,116	1,048	988	1,224	1,224
9,400	9,450	1,126	1,057	997	1,236	1,236
9,450	9,500	1,137	1,066	1,005	1,249	1,249
9,500	9,550	1,148	1,076	1,014	1,261	1,261
9,550	9,600	1,159	1,086	1,022	1,274	1,274
9,600	9,650	1,171	1,096	1,031	1,286	1,286
9,650	9,700	1,182	1,106	1,039	1,299	1,299
9,700	9,750	1,193	1,116	1,048	1,311	1,311
9,750	9,800	1,204	1,125	1,057	1,324	1,324
9,800	9,850	1,216	1,135	1,065	1,336	1,336
9,850	9,900	1,227	1,145	1,074	1,349	1,349
9,900	9,950	1,238	1,155	1,082	1,361	1,361
9,950	10,000	1,249	1,165	1,091	1,374	1,374

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE V—RETURNS CLAIMING 5 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$3,500	0	0	0	0	0
$3,500	3,550	0	0	0	0	$7
3,550	3,600	0	0	0	0	13
3,600	3,650	0	0	0	0	19
3,650	3,700	0	0	0	$7	26
3,700	3,750	0	0	0	14	32
3,750	3,800	0	0	0	21	38
3,800	3,850	0	0	0	28	44
3,850	3,900	0	0	0	35	51
3,900	3,950	0	0	0	42	57
3,950	4,000	0	0	0	49	63
4,000	4,050	0	0	0	56	70
4,050	4,100	0	0	0	63	76
4,100	4,150	0	0	0	70	83
4,150	4,200	0	0	0	78	90
4,200	4,250	0	0	0	85	97
4,250	4,300	$11	$11	$11	93	103
4,300	4,350	21	21	21	100	110
4,350	4,400	32	32	32	108	117
4,400	4,450	42	42	42	115	124
4,450	4,500	53	53	53	123	130
4,500	4,550	63	63	63	130	137
4,550	4,600	74	74	74	138	144
4,600	4,650	85	84	84	145	151
4,650	4,700	96	95	95	153	158
4,700	4,750	108	105	105	161	165
4,750	4,800	119	116	116	169	173
4,800	4,850	130	126	126	177	180
4,850	4,900	141	137	137	185	187
4,900	4,950	153	148	148	193	194
4,950	5,000	165	160	159	201	201
5,000	5,050	177	172	170	209	209
5,050	5,100	185	180	178	217	217
5,100	5,150	$193	$188	$185	$225	$225
5,150	5,200	201	196	193	234	234
5,200	5,250	209	204	200	242	242
5,250	5,300	217	212	208	251	251
5,300	5,350	225	220	215	259	259
5,350	5,400	234	228	223	268	268
5,400	5,450	242	236	230	276	276
5,450	5,500	251	244	238	285	285
5,500	5,550	259	252	245	293	293
5,550	5,600	268	260	253	302	302
5,600	5,650	276	268	260	310	310
5,650	5,700	285	276	268	320	320
5,700	5,750	293	284	275	329	329
5,750	5,800	302	292	283	339	339
5,800	5,850	310	300	290	348	348
5,850	5,900	320	309	298	358	358
5,900	5,950	329	318	306	367	367
5,950	6,000	339	327	314	377	377
6,000	6,050	348	336	322	386	386
6,050	6,100	358	345	330	396	396
6,100	6,150	367	354	338	405	405
6,150	6,200	377	363	346	415	415
6,200	6,250	386	372	354	424	424
6,250	6,300	396	381	362	434	434
6,300	6,350	405	390	370	443	443
6,350	6,400	415	399	378	453	453
6,400	6,450	424	408	386	462	462
6,450	6,500	434	417	394	472	472
6,500	6,550	443	426	402	481	481
6,550	6,600	453	435	410	491	491
6,600	6,650	462	444	418	500	500
6,650	6,700	472	453	426	510	510
6,700	6,750	481	462	434	519	519

TABLE V—RETURNS CLAIMING 5 EXEMPTIONS—Continued

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
$6,750	$6,800	$491	$471	$442	$529	$529
6,800	6,850	500	480	450	538	538
6,850	6,900	510	489	459	548	548
6,900	6,950	519	498	467	557	557
6,950	7,000	529	507	476	567	567
7,000	7,050	538	516	484	576	576
7,050	7,100	546	524	491	586	586
7,100	7,150	555	532	499	595	595
7,150	7,200	563	540	507	605	605
7,200	7,250	572	548	514	614	614
7,250	7,300	580	556	522	624	624
7,300	7,350	589	564	529	633	633
7,350	7,400	597	572	537	643	643
7,400	7,450	606	580	545	652	652
7,450	7,500	614	588	552	662	662
7,500	7,550	623	597	560	671	671
7,550	7,600	632	605	568	681	681
7,600	7,650	640	613	575	690	690
7,650	7,700	649	621	583	701	701
7,700	7,750	657	629	591	712	712
7,750	7,800	666	637	598	723	723
7,800	7,850	674	645	606	734	734
7,850	7,900	683	653	614	745	745
7,900	7,950	692	662	621	756	756
7,950	8,000	702	671	630	767	767
8,000	8,050	711	680	639	778	778
8,050	8,100	721	689	647	789	789
8,100	8,150	731	698	656	800	800
8,150	8,200	741	707	664	811	811
8,200	8,250	751	716	673	822	822
8,250	8,300	761	725	681	833	833
8,300	8,350	771	734	690	844	844
8,350	8,400	781	743	698	855	855
$8,400	$8,450	$791	$752	$707	$866	$866
8,450	8,500	801	761	715	877	877
8,500	8,550	810	770	724	888	888
8,550	8,600	820	779	733	899	899
8,600	8,650	830	788	741	910	910
8,650	8,700	840	797	750	921	921
8,700	8,750	850	806	758	932	932
8,750	8,800	860	815	767	943	943
8,800	8,850	870	824	775	954	954
8,850	8,900	880	833	784	965	965
8,900	8,950	890	842	792	976	976
8,950	9,000	900	851	801	987	987
9,000	9,050	909	860	810	998	998
9,050	9,100	919	869	818	1,009	1,009
9,100	9,150	929	878	827	1,020	1,020
9,150	9,200	939	887	835	1,031	1,031
9,200	9,250	949	896	844	1,042	1,042
9,250	9,300	959	905	852	1,053	1,053
9,300	9,350	969	914	861	1,064	1,064
9,350	9,400	979	923	869	1,075	1,075
9,400	9,450	989	932	878	1,086	1,086
9,450	9,500	999	941	886	1,097	1,097
9,500	9,550	1,008	950	895	1,108	1,108
9,550	9,600	1,018	959	904	1,119	1,119
9,600	9,650	1,028	968	912	1,130	1,130
9,650	9,700	1,038	977	921	1,143	1,143
9,700	9,750	1,048	986	929	1,155	1,155
9,750	9,800	1,058	995	938	1,168	1,168
9,800	9,850	1,068	1,004	946	1,180	1,180
9,850	9,900	1,078	1,013	955	1,193	1,193
9,900	9,950	1,088	1,022	963	1,205	1,205
9,950	10,000	1,098	1,031	972	1,218	1,218

* This column may also be used by certain widows or widowers who qualify for special tax rates.

PROPOSED RULE MAKING

TABLE VI—RETURNS CLAIMING 6 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$4,150	0	0	0	0	0
$4,150	4,200	0	0	0	0	$1
4,200	4,250	0	0	0	0	7
4,250	4,300	0	0	0	$4	14
4,300	4,350	0	0	0	11	20
4,350	4,400	0	0	0	18	26
4,400	4,450	0	0	0	25	33
4,450	4,500	0	0	0	32	39
4,500	4,550	0	0	0	39	45
4,550	4,600	0	0	0	46	51
4,600	4,650	0	0	0	53	58
4,650	4,700	0	0	0	60	64
4,700	4,750	0	0	0	67	70
4,750	4,800	0	0	0	74	77
4,800	4,850	0	0	0	81	84
4,850	4,900	$5	$5	$5	89	91
4,900	4,950	16	16	16	96	97
4,950	5,000	26	26	26	104	104
5,000	5,050	37	37	37	111	111
5,050	5,100	47	47	47	119	119
5,100	5,150	58	58	58	126	126
5,150	5,200	68	68	68	134	134
5,200	5,250	79	79	79	141	141
5,250	5,300	91	89	89	149	149
5,300	5,350	102	100	100	157	157
5,350	5,400	113	110	110	165	165
5,400	5,450	124	121	121	173	173
5,450	5,500	134	130	130	181	181
5,500	5,550	141	137	137	189	189
5,550	5,600	149	144	144	197	197
5,600	5,650	157	152	151	205	205
5,650	5,700	165	160	159	213	213
5,700	5,750	173	168	166	221	221
5,750	5,800	181	176	174	229	229
5,800	5,850	189	184	181	238	238
5,850	5,900	197	192	189	246	246
5,900	5,950	205	200	196	255	255
5,950	6,000	213	208	204	263	263
6,000	6,050	221	216	211	272	272
6,050	6,100	229	224	219	280	280
6,100	6,150	238	232	226	289	289
6,150	6,200	246	240	234	297	297
6,200	6,250	255	248	241	306	306
6,250	6,300	263	256	249	315	315
6,300	6,350	272	264	256	324	324
6,350	6,400	280	272	264	334	334
6,400	6,450	289	280	271	343	343
6,450	6,500	297	288	279	353	353
6,500	6,550	306	296	286	362	362
6,550	6,600	315	305	294	372	372
6,600	6,650	324	314	302	381	381
6,650	6,700	334	323	310	391	391
6,700	6,750	343	332	318	400	400
6,750	6,800	353	341	326	410	410
6,800	6,850	362	350	334	419	419
6,850	6,900	372	359	342	429	429
6,900	6,950	381	368	350	438	438
6,950	7,000	391	377	358	448	448
7,000	7,050	400	386	366	457	457
7,050	7,100	410	395	374	467	567
7,100	7,150	419	404	382	476	476
7,150	7,200	429	413	390	486	486
7,200	7,250	438	422	398	495	495
7,250	7,300	448	431	406	505	505
7,300	7,350	457	440	414	514	514
7,350	7,400	467	449	422	524	524
7,400	7,450	476	458	430	533	533
7,450	7,500	486	467	438	543	543
7,500	7,550	495	476	446	552	552
7,550	7,600	505	485	454	562	562
7,600	7,650	514	494	463	571	571
7,650	7,700	524	503	471	581	581
7,700	7,750	533	512	480	590	590
7,750	7,800	543	521	488	600	600
7,800	7,850	552	530	497	609	609
7,850	7,900	562	539	505	619	619
7,900	7,950	571	548	514	628	628
7,950	8,000	581	557	522	638	638
8,000	8,050	590	565	530	647	647
8,050	8,100	598	573	538	657	657
8,100	8,150	607	581	546	666	666
8,150	8,200	615	589	553	676	676
8,200	8,250	624	597	561	685	685
8,250	8,300	633	606	569	696	696
8,300	8,350	641	614	576	707	707
8,350	8,400	650	622	584	718	718
8,400	8,450	658	630	592	729	729
8,450	8,500	667	638	599	740	740
8,500	8,550	675	646	607	751	751
8,550	8,600	684	654	614	762	762
8,600	8,650	693	663	622	773	773
8,650	8,700	703	672	631	784	784
8,700	8,750	713	681	639	795	795
8,750	8,800	722	690	648	806	806
8,800	8,850	732	699	657	817	817
8,850	8,900	742	708	665	828	828
8,900	8,950	752	717	674	839	839
8,950	9,000	762	726	682	850	850
9,000	9,050	772	735	691	861	861
9,050	9,100	782	744	699	872	872
9,100	9,150	792	753	708	883	883
9,150	9,200	802	762	716	894	894
9,200	9,250	812	771	725	905	905
9,250	9,300	821	780	734	916	916
9,300	9,350	831	789	742	927	927
9,350	9,400	841	798	751	938	938
9,400	9,450	851	807	759	949	949
9,450	9,500	861	816	768	960	960
9,500	9,550	871	825	776	971	971
9,550	9,600	881	834	785	982	982
9,600	9,650	891	843	793	993	993
9,650	9,700	901	852	802	1,004	1,004
9,700	9,750	911	861	810	1,015	1,015
9,750	9,800	920	870	819	1,026	1,026
9,800	9,850	930	879	828	1,037	1,037
9,850	9,900	940	888	836	1,048	1,048
9,900	9,950	950	897	845	1,059	1,059
9,950	10,000	960	906	853	1,070	1,070

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE VII—RETURNS CLAIMING 7 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$4,850	0	0	0	0	0
$4,850	4,900	0	0	0	0	$2
4,900	4,950	0	0	0	$7	8
4,950	5,000	0	0	0	14	14
5,000	5,050	0	0	0	21	21
5,050	5,100	0	0	0	28	28
5,100	5,150	0	0	0	35	35
5,150	5,200	0	0	0	42	42
5,200	5,250	0	0	0	49	49
5,250	5,300	0	0	0	56	56
5,300	5,350	0	0	0	63	63
5,350	5,400	0	0	0	70	70
5,400	5,450	0	0	0	78	78
5,450	5,500	0	0	0	85	85
5,500	5,550	$11	$11	$11	93	93
5,550	5,600	21	21	21	100	100
5,600	5,650	32	32	32	108	108
5,650	5,700	42	42	42	115	115
5,700	5,750	53	53	53	123	123
5,750	5,800	63	63	63	130	130
5,800	5,850	74	74	74	138	138
5,850	5,900	85	84	84	145	145
5,900	5,950	93	91	91	153	153
5,950	6,000	100	98	98	161	161
6,000	6,050	108	105	105	169	169
6,050	6,100	115	112	112	177	177
6,100	6,150	123	119	119	185	185
6,150	6,200	130	126	126	193	193
6,200	6,250	138	133	133	201	201
6,250	6,300	145	140	140	209	209
6,300	6,350	153	148	148	217	217
6,350	6,400	161	156	155	225	225
6,400	6,450	169	164	163	234	234
6,450	6,500	177	172	170	242	242
6,500	6,550	185	180	178	251	251
6,550	6,600	193	188	185	259	259
6,600	6,650	201	196	193	268	268
6,650	6,700	209	204	200	276	276
6,700	6,750	217	212	208	285	285
6,750	6,800	225	220	215	293	293
6,800	6,850	234	228	223	302	302
6,850	6,900	242	236	230	310	310
6,900	6,950	251	244	238	320	320
6,950	7,000	259	252	245	329	329
7,000	7,050	268	260	253	339	339
7,050	7,100	276	268	260	348	348
7,100	7,150	285	276	268	358	358
7,150	7,200	293	284	275	367	367
7,200	7,250	302	292	283	377	377
7,250	7,300	310	300	290	386	386
7,300	7,350	320	309	298	396	396
7,350	7,400	329	318	306	405	405
7,400	7,450	339	327	314	415	415
7,450	7,500	348	336	322	424	424
7,500	7,550	358	345	330	434	434
7,550	7,600	367	354	338	443	443
7,600	7,650	377	363	346	453	453
7,650	7,700	386	372	354	462	462
7,700	7,750	396	381	362	472	472
7,750	7,800	405	390	370	481	481
7,800	7,850	415	399	378	491	491
7,850	7,900	424	408	386	500	500
7,900	7,950	434	417	394	510	510
7,950	8,000	443	426	402	519	519
8,000	8,050	453	435	410	529	529
8,050	8,100	462	444	418	538	538
8,100	8,150	472	453	426	548	548
8,150	8,200	481	462	434	557	557
8,200	8,250	491	471	442	567	567
8,250	8,300	500	480	450	576	576
8,300	8,350	510	489	459	586	586
8,350	8,400	519	498	467	595	595
8,400	8,450	529	507	476	605	605
8,450	8,500	538	516	484	614	614
8,500	8,550	548	525	493	624	624
8,550	8,600	557	534	501	633	633
8,600	8,650	567	543	510	643	643
8,650	8,700	576	552	518	652	652
8,700	8,750	586	561	527	662	662
8,750	8,800	595	570	535	671	671
8,800	8,850	605	579	544	681	681
8,850	8,900	614	588	552	690	690
8,900	8,950	624	597	561	701	701
8,950	9,000	633	606	569	712	712
9,000	9,050	642	615	577	723	723
9,050	9,100	651	623	585	734	734
9,100	9,150	659	631	592	745	745
9,150	9,200	668	639	600	756	756
9,200	9,250	676	647	608	767	767
9,250	9,300	685	655	615	778	778
9,300	9,350	694	664	623	789	789
9,350	9,400	704	673	632	800	800
9,400	9,450	714	682	640	811	811
9,450	9,500	724	691	649	822	822
9,500	9,550	733	700	658	833	833
9,550	9,600	743	709	666	844	844
9,600	9,650	753	718	675	855	855
9,650	9,700	763	727	683	866	866
9,700	9,750	773	736	692	877	877
9,750	9,800	783	745	700	888	888
9,800	9,850	793	754	709	899	899
9,850	9,900	803	763	717	910	910
9,900	9,950	813	772	726	921	921
9,950	10,000	823	781	734	932	932

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE VIII—RETURNS CLAIMING 8 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$5,500	0	0	0	0	0
$5,500	5,550	0	0	0	$4	$4
5,550	5,600	0	0	0	11	11
5,600	5,650	0	0	0	18	18
5,650	5,700	0	0	0	25	25
5,700	5,750	0	0	0	32	32
5,750	5,800	0	0	0	39	39
5,800	5,850	0	0	0	46	46
5,850	5,900	0	0	0	53	53
5,900	5,950	0	0	0	60	60
5,950	6,000	0	0	0	67	67
6,000	6,050	0	0	0	74	74
6,050	6,100	0	0	0	81	81
6,100	6,150	$5	$5	$5	89	89
6,150	6,200	16	16	16	96	96
6,200	6,250	26	26	26	104	104
6,250	6,300	37	37	37	111	111
6,300	6,350	46	46	46	119	119
6,350	6,400	53	53	53	126	126
6,400	6,450	60	60	60	134	134
6,450	6,500	67	67	67	141	141
6,500	6,550	74	74	74	149	149
6,550	6,600	81	81	81	157	157
6,600	6,650	89	88	88	165	165
6,650	6,700	96	95	95	173	173
6,700	6,750	104	102	102	181	181
6,750	6,800	111	109	109	189	189
6,800	6,850	119	116	116	197	197
6,850	6,900	126	123	123	205	205
6,900	6,950	134	130	130	213	213
6,950	7,000	141	137	137	221	221
7,000	7,050	149	144	144	229	229
7,050	7,100	157	152	151	238	238
7,100	7,150	165	160	159	246	246
7,150	7,200	173	168	166	255	255
7,200	7,250	181	176	174	263	263
7,250	7,300	189	184	181	272	272
7,300	7,350	197	192	189	280	280
7,350	7,400	205	200	196	289	289
7,400	7,450	213	208	204	297	297
7,450	7,500	221	216	211	306	306
7,500	7,550	229	224	219	315	315
7,550	7,600	238	232	226	324	324
7,600	7,650	246	240	234	334	334
7,650	7,700	255	248	241	343	343
7,700	7,750	263	256	249	353	353
7,750	7,800	272	264	256	362	362
7,800	7,850	280	272	264	372	372
7,850	7,900	289	280	271	381	381
7,900	7,950	297	288	279	391	391
7,950	8,000	306	296	286	400	400
8,000	8,050	315	305	294	410	410
8,050	8,100	324	314	302	419	419
8,100	8,150	334	323	310	429	429
8,150	8,200	343	332	318	438	438
8,200	8,250	353	341	326	448	448
8,250	8,300	362	350	334	457	457
8,300	8,350	372	359	342	467	467
8,350	8,400	381	368	350	476	476
8,400	8,450	391	377	358	486	486
8,450	8,500	400	386	366	495	495
8,500	8,550	410	395	374	505	505
8,550	8,600	419	404	382	514	514
8,600	8,650	429	413	390	524	524
8,650	8,700	438	422	398	533	533
8,700	8,750	448	431	406	543	543
8,750	8,800	457	440	414	552	552
8,800	8,850	467	449	422	562	562
8,850	8,900	476	458	430	571	571
8,900	8,950	486	467	438	581	581
8,950	9,000	495	476	446	590	590
9,000	9,050	505	485	454	600	600
9,050	9,100	514	494	463	609	609
9,100	9,150	524	503	471	619	619
9,150	9,200	533	512	480	628	628
9,200	9,250	543	521	588	638	638
9,250	9,300	552	530	497	647	647
9,300	9,350	562	539	505	657	657
9,350	9,400	571	548	514	666	666
9,400	9,450	581	557	522	676	676
9,450	9,500	590	566	531	685	685
9,500	9,550	600	575	539	696	696
9,550	9,600	609	584	548	707	707
9,600	9,650	619	593	556	718	718
9,650	9,700	628	602	565	729	729
9,700	9,750	638	611	573	740	740
9,750	9,800	647	620	582	751	751
9,800	9,850	657	629	590	762	762
9,850	9,900	666	638	599	773	773
9,900	9,950	676	647	607	784	784
9,950	10,000	685	656	616	795	795

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE IX—RETURNS CLAIMING 9 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$6,150	0	0	0	0	0
$6,150	6,200	0	0	0	$7	$7
6,200	6,250	0	0	0	14	14
6,250	6,300	0	0	0	21	21
6,300	6,350	0	0	0	28	28
6,350	6,400	0	0	0	35	35
6,400	6,450	0	0	0	42	42
6,450	6,500	0	0	0	49	49
6,500	6,550	0	0	0	56	56
6,550	6,600	0	0	0	63	63
6,600	6,650	0	0	0	70	70
6,650	6,700	$7	$7	$7	78	78
6,700	6,750	14	14	14	85	85
6,750	6,800	21	21	21	93	93
6,800	6,850	28	28	28	100	100
6,850	6,900	35	35	35	108	108
6,900	6,950	42	42	42	115	115
6,950	7,000	49	49	49	123	123
7,000	7,050	56	56	56	130	130
7,050	7,100	63	63	63	138	138
7,100	7,150	70	70	70	145	145
7,150	7,200	78	77	77	153	153
7,200	7,250	85	84	84	161	161
7,250	7,300	93	91	91	169	169
7,300	7,350	100	98	98	177	177
7,350	7,400	108	105	105	185	185
7,400	7,450	115	112	112	193	193
7,450	7,500	123	119	119	201	201
7,500	7,550	130	126	126	209	209
7,550	7,600	138	133	133	217	217
7,600	7,650	145	140	140	225	225
7,650	7,700	153	148	148	234	234
7,700	7,750	161	156	155	242	242
7,750	7,800	169	164	163	251	251
7,800	7,850	177	172	170	259	259
7,850	7,900	185	180	178	268	268
7,900	7,950	193	188	185	276	276
7,950	8,000	201	196	193	285	285
8,000	8,050	209	204	200	293	293
8,050	8,100	217	212	208	302	302
8,100	8,150	225	220	215	310	310
8,150	8,200	234	228	223	320	320
8,200	8,250	242	236	230	329	329
8,250	8,300	251	244	238	339	339
8,300	8,350	259	252	245	348	348
8,350	8,400	268	260	253	358	358
8,400	8,450	276	268	260	367	367
8,450	8,500	285	276	268	377	377
8,500	8,550	293	284	275	386	386
8,550	8,600	302	292	283	396	396
8,600	8,650	310	300	290	405	405
8,650	8,700	320	309	298	415	415
8,700	8,750	329	318	306	424	424
8,750	8,800	339	327	314	434	434
8,800	8,850	348	336	322	443	443
8,850	8,900	358	345	330	453	453
8,900	8,950	367	354	338	462	462
8,950	9,000	377	363	346	472	472
9,000	9,050	386	372	354	481	481
9,050	9,100	396	381	362	491	491
9,100	9,150	405	390	370	500	500
9,150	9,200	415	399	378	510	510
9,200	9,250	424	408	386	519	519
9,250	9,300	434	417	394	529	529
9,300	9,350	443	426	402	538	538
9,350	9,400	453	435	410	548	548
9,400	9,450	462	444	418	557	557
9,450	9,500	472	453	426	567	567
9,500	9,550	481	462	434	576	576
9,550	9,600	491	471	442	586	586
9,600	9,650	500	480	450	595	595
9,650	9,700	510	489	459	605	605
9,700	9,750	519	498	467	614	614
9,750	9,800	529	507	476	624	624
9,800	9,850	538	516	484	633	633
9,850	9,900	548	525	493	643	643
9,900	9,950	557	534	501	652	652
9,950	10,000	567	543	510	662	662

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE X—RETURNS CLAIMING 10 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$6,750	0	0	0	0	0
$6,750	6,800	0	0	0	$4	$4
6,800	6,850	0	0	0	11	11
6,850	6,900	0	0	0	18	18
6,900	6,950	0	0	0	25	25
6,950	7,000	0	0	0	32	32
7,000	7,050	0	0	0	39	39
7,050	7,100	0	0	0	46	46
7,100	7,150	0	0	0	53	53
7,150	7,200	0	0	0	60	60
7,200	7,250	0	0	0	67	67
7,250	7,300	$4	$4	$4	74	74
7,300	7,350	11	11	11	81	81
7,350	7,400	18	18	18	89	89
7,400	7,450	25	25	25	96	96
7,450	7,500	32	32	32	104	104
7,500	7,550	39	39	39	111	111
7,550	7,600	46	46	46	119	119
7,600	7,650	53	53	53	126	126
7,650	7,700	60	60	60	134	134
7,700	7,750	67	67	67	141	141
7,750	7,800	74	74	74	149	149
7,800	7,850	81	81	81	157	157
7,850	7,900	89	88	88	165	165
7,900	7,950	96	95	95	173	173
7,950	8,000	104	102	102	181	181
8,000	8,050	111	109	109	189	189
8,050	8,100	119	116	116	197	197
8,100	8,150	126	123	123	205	205
8,150	8,200	134	130	130	213	213
8,200	8,250	141	137	137	221	221
8,250	8,300	149	144	144	229	229
8,300	8,350	157	152	151	238	238
$8,350	$8,400	$165	$160	$159	$246	$246
8,400	8,450	173	168	166	255	255
8,450	8,500	181	176	174	263	263
8,500	8,550	189	184	181	272	272
8,550	8,600	197	192	189	280	280
8,600	8,650	205	200	196	289	289
8,650	8,700	213	208	204	297	297
8,700	8,750	221	216	211	306	306
8,750	8,800	229	224	219	315	315
8,800	8,850	238	232	226	324	324
8,850	8,900	246	240	234	334	334
8,900	8,950	255	248	241	343	343
8,950	9,000	263	256	249	353	353
9,000	9,050	272	264	256	362	362
9,050	9,100	280	272	264	372	372
9,100	9,150	289	280	271	381	381
9,150	9,200	297	288	279	391	391
9,200	9,250	306	296	286	400	400
9,250	9,300	315	305	294	410	410
9,300	9,350	324	314	302	419	419
9,350	9,400	334	323	310	429	429
9,400	9,450	343	332	318	438	438
9,450	9,500	353	341	326	448	448
9,500	9,550	362	350	334	457	457
9,550	9,600	372	359	342	467	467
9,600	9,650	381	368	350	476	476
9,650	9,700	391	377	358	486	486
9,700	9,750	400	386	366	495	495
9,750	9,800	410	395	374	505	505
9,800	9,850	419	404	382	514	514
9,850	9,900	429	413	390	524	524
9,900	9,950	438	422	398	533	533
9,950	10,000	448	431	406	543	543

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XI—RETURNS CLAIMING 11 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$7,400	0	0	0	0	0
$7,400	7,450	0	0	0	$7	$7
7,450	7,500	0	0	0	14	14
7,500	7,550	0	0	0	21	21
7,550	7,600	0	0	0	28	28
7,600	7,650	0	0	0	35	35
7,650	7,700	0	0	0	42	42
7,700	7,750	0	0	0	49	49
7,750	7,800	0	0	0	56	56
7,800	7,850	0	0	0	63	63
7,850	7,900	0	0	0	70	70
7,900	7,950	$7	$7	$7	78	78
7,950	8,000	14	14	14	85	85
8,000	8,050	21	21	21	93	93
8,050	8,100	28	28	28	100	100
8,100	8,150	35	35	35	108	108
8,150	8,200	42	42	42	115	115
8,200	8,250	49	49	49	123	123
8,250	8,300	56	56	56	130	130
8,300	8,350	63	63	63	138	138
8,350	8,400	70	70	70	145	145
8,400	8,450	78	77	77	153	153
8,450	8,500	85	84	84	161	161
8,500	8,550	93	91	91	169	169
8,550	8,600	100	98	98	177	177
8,600	8,650	108	105	105	185	185
8,650	8,700	115	112	112	193	193
$8,700	$8,750	$123	$119	$119	$201	$201
8,750	8,800	130	126	126	209	209
8,800	8,850	138	133	133	217	217
8,850	8,900	145	140	140	225	225
8,900	8,950	153	148	148	234	234
8,950	9,000	161	156	155	242	242
9,000	9,050	169	164	163	251	251
9,050	9,100	177	172	170	259	259
9,100	9,150	185	180	178	268	268
9,150	9,200	193	188	185	276	276
9,200	9,250	201	196	193	285	285
9,250	9,300	209	204	200	293	293
9,300	9,350	217	212	208	302	302
9,350	9,400	225	220	215	310	310
9,400	9,450	234	228	223	320	320
9,450	9,500	242	236	230	329	329
9,500	9,550	251	244	238	339	339
9,550	9,600	259	252	245	348	348
9,600	9,650	268	260	253	358	358
9,650	9,700	276	268	260	367	367
9,700	9,750	285	276	268	377	377
9,750	9,800	293	284	275	386	386
9,800	9,850	302	292	283	396	296
9,850	9,900	310	300	290	405	405
9,900	9,950	320	309	298	415	415
9,950	10,000	329	318	306	424	424

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XII—RETURNS CLAIMING 12 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$8,000	0	0	0	0	0
$8,000	8,050	0	0	0	$4	$4
8,050	8,100	0	0	0	11	11
8,100	8,150	0	0	0	18	18
8,150	8,200	0	0	0	25	25
8,200	8,250	0	0	0	32	32
8,250	8,300	0	0	0	39	39
8,300	8,350	0	0	0	46	46
8,350	8,400	0	0	0	53	53
8,400	8,450	0	0	0	60	60
8,450	8,500	0	0	0	67	67
8,500	8,550	$4	$4	$4	74	74
8,550	8,600	11	11	11	81	81
8,600	8,650	18	18	18	89	89
8,650	8,700	25	25	25	96	96
8,700	8,750	32	32	32	104	104
8,750	8,800	39	39	39	111	111
8,800	8,850	46	46	46	119	119
8,850	8,900	53	53	53	126	126
8,900	8,950	60	60	60	134	134
8,950	9,000	67	67	67	141	141
$9,000	$9,050	$74	$74	$74	$149	$149
9,050	9,100	81	81	81	157	157
9,100	9,150	89	88	88	165	165
9,150	9,200	96	95	95	173	173
9,200	9,250	104	102	102	181	181
9,250	9,300	111	109	109	189	189
9,300	9,350	119	116	116	197	197
9,350	9,400	126	123	123	205	205
9,400	9,450	134	130	130	213	213
9,450	9,500	141	137	137	221	221
9,500	9,550	149	144	144	229	229
9,550	9,600	157	152	151	238	238
9,600	9,650	165	160	159	246	246
9,650	9,700	173	168	166	255	255
9,700	9,750	181	176	174	263	263
9,750	9,800	189	184	181	272	272
9,800	9,850	197	192	189	280	280
9,850	9,900	205	200	196	289	289
9,900	9,950	213	208	204	297	297
9,950	10,000	221	216	211	306	306

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XIII—RETURNS CLAIMING 13 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$8,650	0	0	0	0	0
$8,650	8,700	0	0	0	$7	$7
8,700	8,750	0	0	0	14	14
8,750	8,800	0	0	0	21	21
8,800	8,850	0	0	0	28	28
8,850	8,900	0	0	0	35	35
8,900	8,950	0	0	0	42	42
8,950	9,000	0	0	0	49	49
9,000	9,050	0	0	0	56	56
9,050	9,100	0	0	0	63	63
9,100	9,150	0	0	0	70	70
9,150	9,200	$7	$7	$7	78	78
9,200	9,250	14	14	14	85	85
9,250	9,300	21	21	21	93	93
$9,300	$9,350	$28	$28	$28	$100	$100
9,350	9,400	35	35	35	108	108
9,400	9,450	42	42	42	115	115
9,450	9,500	49	49	49	123	123
9,500	9,550	56	56	56	130	130
9,550	9,600	63	63	63	138	138
9,600	9,650	70	70	70	145	145
9,650	9,700	78	77	77	153	153
9,700	9,750	85	84	84	161	161
9,750	9,800	93	91	91	169	169
9,800	9,850	100	98	98	177	177
9,850	9,900	108	105	105	185	185
9,900	9,950	115	112	112	193	193
9,950	10,000	123	119	119	201	201

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XIV—RETURNS CLAIMING 14 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$9,250	0	0	0	0	0
$9,250	9,300	0	0	0	$4	$4
9,300	9,350	0	0	0	11	11
9,350	9,400	0	0	0	18	18
9,400	9,450	0	0	0	25	25
9,450	9,500	0	0	0	32	32
9,500	9,550	0	0	0	39	39
9,550	9,600	0	0	0	46	46
$9,600	$9,650	0	0	0	$53	$53
9,650	9,700	0	0	0	60	60
9,700	9,750	0	0	0	67	67
9,750	9,800	$4	$4	$4	74	74
9,800	9,850	11	11	11	81	81
9,850	9,900	18	18	18	89	89
9,900	9,950	25	25	25	96	96
9,950	10,000	32	32	32	104	104

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XV—RETURNS CLAIMING 15 EXEMPTIONS

Taxable Years Beginning After December 31, 1969, and Ending Before January 1, 1971

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$9,900	0	0	0	0	0
$9,900	9,950	0	0	0	$7	$7
$9,950	$10,000	0	0	0	$14	$14

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XVI—RETURNS CLAIMING 1 EXEMPTION

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—			
				Married filing a separate return claiming—	
At least	But less than	Single, not head of household	Head of household	Low income allowance	Standard deduction
		Your tax is—			
0	$750	0	0	0	0
$750	775	0	0	0	$2
775	800	0	0	0	5
800	825	0	0	0	8
825	850	0	0	0	11
850	875	0	0	$2	14
875	900	0	0	5	17
900	925	0	0	9	20
925	950	0	0	12	23
950	975	0	0	16	26
975	1,000	0	0	19	29
1,000	1,025	0	0	23	32
1,025	1,050	0	0	26	35
1,050	1,075	0	0	30	38
1,075	1,100	0	0	33	41
1,100	1,125	0	0	37	45
1,125	1,150	0	0	40	48
1,150	1,175	0	0	44	51
1,175	1,200	0	0	47	54
1,200	1,225	0	0	51	57
1,225	1,250	0	0	54	60
1,250	1,275	0	0	58	63
1,275	1,300	0	0	61	66
1,300	1,325	0	0	65	69
1,325	1,350	0	0	68	72
1,350	1,375	0	0	72	75
1,375	1,400	0	0	76	79
1,400	1,425	0	0	79	82
1,425	1,450	0	0	83	85
1,450	1,475	0	0	87	88
1,475	1,500	0	0	91	92
1,500	1,525	0	0	94	95
1,525	1,550	0	0	98	98
1,550	1,575	0	0	102	101
1,575	1,600	0	0	106	105
1,600	1,625	0	0	109	108
1,625	1,650	0	0	113	111
1,650	1,675	0	0	117	114
1,675	1,700	0	0	121	118
1,700	1,725	2	2	124	121
1,725	1,750	6	6	128	124
1,750	1,775	9	9	132	128
1,775	1,800	$13	$13	136	131
1,800	1,825	17	17	139	134
1,825	1,850	21	21	143	137
1,850	1,875	24	24	147	141
1,875	1,900	28	28	151	144
1,900	1,925	32	32	155	147
1,925	1,950	35	35	159	151
1,950	1,975	39	39	163	154
1,975	2,000	43	43	167	158
2,000	2,025	47	47	171	161
2,025	2,050	50	50	175	165
2,050	2,075	54	54	179	168
2,075	2,100	58	58	183	172
2,100	2,125	62	62	187	175
2,125	2,150	65	65	191	179
2,150	2,175	69	69	195	182
2,175	2,200	$73	$73	$199	$186
2,200	2,225	77	77	203	189
2,225	2,250	81	80	207	192
2,250	2,275	85	84	211	196
2,275	2,300	89	88	215	199
2,300	2,325	93	91	219	203
2,325	2,350	97	95	223	206
2,350	2,375	101	99	227	210
2,375	2,400	105	103	231	213
2,400	2,425	109	106	236	217
2,425	2,450	113	110	240	220
2,450	2,475	117	114	244	224
2,475	2,500	121	118	248	227
2,500	2,525	125	121	253	231
2,525	2,550	129	125	257	235
2,550	2,575	133	129	261	238
2,575	2,600	137	133	265	242
2,600	2,625	141	136	270	246
2,625	2,650	145	140	274	250
2,650	2,675	149	144	278	253
2,675	2,700	154	149	282	257
2,700	2,725	158	153	287	261
2,725	2,750	162	157	291	264
2,750	2,775	166	161	295	268
2,775	2,800	171	166	299	272
2,800	2,825	175	170	304	275
2,825	2,850	179	174	308	279
2,850	2,875	183	178	312	283
2,875	2,900	188	183	317	287
2,900	2,925	192	187	322	290
2,925	2,950	196	191	327	294
2,950	2,975	200	195	331	298
2,975	3,000	205	200	336	301
3,000	3,050	211	206	343	307
3,050	3,100	220	215	353	315
3,100	3,150	228	223	362	323
3,150	3,200	237	232	372	331
3,200	3,250	247	240	381	340
3,250	3,300	256	249	391	348
3,300	3,350	265	257	400	356
3,350	3,400	274	266	410	364
3,400	3,450	283	274	419	373
3,450	3,500	292	283	429	381
3,500	3,550	301	291	438	389
3,550	3,600	310	300	448	397
3,600	3,650	320	310	457	406
3,650	3,700	330	319	467	414
3,700	3,750	340	329	476	422
3,750	3,800	351	338	486	431
3,800	3,850	361	348	495	439
3,850	3,900	371	358	505	447
3,900	3,950	381	367	514	455
3,950	4,000	391	377	524	464
4,000	4,050	401	386	533	472
4,050	4,100	411	396	543	480
4,100	4,150	421	406	552	488
4,150	4,200	432	415	562	497

TABLE XVI—RETURNS CLAIMING 1 EXEMPTION—Continued

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—			
				Married filing a separate return claiming—	
At least	But less than	Single, not head of household	Head of household	Low income allowance	Standard deduction
		Your tax is—			
$4,200	$4,250	$442	$425	$571	$505
4,250	4,300	452	434	581	513
4,300	4,350	462	444	590	521
4,350	4,400	472	454	600	530
4,400	4,450	482	463	609	538
4,450	4,500	492	473	619	546
4,500	4,550	503	482	628	554
4,550	4,600	513	492	638	563
4,600	4,650	523	502	647	571
4,650	4,700	533	511	657	579
4,700	4,750	543	521	666	588
4,750	4,800	553	530	676	596
4,800	4,850	563	540	685	604
4,850	4,900	573	550	696	612
4,900	4,950	584	559	707	621
4,950	5,000	594	569	718	629
5,000	5,050	604	578	729	637
5,050	5,100	614	588	740	645
5,100	5,150	624	598	751	654
5,150	5,200	634	607	762	662
5,200	5,250	644	617	773	670
5,250	5,300	655	626	784	678
5,300	5,350	665	636	795	687
5,350	5,400	675	646	806	696
5,400	5,450	685	655	817	705
5,450	5,500	696	665	828	715
5,500	5,550	707	675	839	724
5,550	5,600	718	685	850	734
5,600	5,650	729	695	861	744
5,650	5,700	740	706	872	753
5,700	5,750	752	716	883	763
5,750	5,800	763	726	894	773
5,800	5,850	774	736	905	784
5,850	5,900	785	746	916	795
5,900	5,950	796	756	927	806
5,950	6,000	805	764	938	817
6,000	6,050	814	772	949	828
6,050	6,100	823	781	960	839
6,100	6,150	833	789	971	850
6,150	6,200	842	797	982	861
6,200	6,250	851	805	993	872
6,250	6,300	860	814	1,004	883
6,300	6,350	869	822	1,015	894
6,350	6,400	878	830	1,026	905
6,400	6,450	887	839	1,037	916
6,450	6,500	896	847	1,048	927
6,500	6,550	906	855	1,059	938
6,550	6,600	915	863	1,070	949
6,600	6,650	924	872	1,081	960
6,650	6,700	933	880	1,092	971
6,700	6,750	942	888	1,103	982
6,750	6,800	951	896	1,114	993
6,800	8,850	960	905	1,125	1,004
6,850	6,900	970	913	1,136	1,015
6,900	6,950	979	921	1,149	1,026
6,950	7,000	988	929	1,161	1,037
7,000	7,050	997	938	1,174	1,048
7,050	7,100	1,006	946	1,186	1,059
$7,100	$7,150	$1,015	$954	$1,199	$1,070
7,150	7,200	1,024	963	1,211	1,081
7,200	7,250	1,034	971	1,224	1,092
7,250	7,300	1,043	979	1,236	1,103
7,300	7,350	1,052	987	1,249	1,114
7,350	7,400	1,061	996	1,261	1,125
7,400	7,450	1,070	1,004	1,274	1,136
7,450	7,500	1,079	1,012	1,286	1,149
7,500	7,550	1,088	1,020	1,299	1,161
7,550	7,600	1,097	1,029	1,311	1,174
7,600	7,650	1,107	1,037	1,324	1,186
7,650	7,700	1,117	1,046	1,336	1,199
7,700	7,750	1,127	1,056	1,349	1,211
7,750	7,800	1,137	1,065	1,361	1,224
7,800	7,850	1,148	1,075	1,374	1,236
7,850	7,900	1,158	1,084	1,386	1,249
7,900	7,950	1,169	1,094	1,399	1,261
7,950	8,000	1,179	1,103	1,411	1,274
8,000	8,050	1,190	1,113	1,424	1,286
8,050	8,100	1,200	1,123	1,436	1,299
8,100	8,150	1,211	1,132	1,449	1,311
8,150	8,200	1,221	1,142	1,461	1,324
8,200	8,250	1,231	1,151	1,474	1,336
8,250	8,300	1,242	1,161	1,486	1,349
8,300	8,350	1,252	1,170	1,499	1,361
8,350	8,400	1,263	1,180	1,511	1,374
8,400	8,450	1,273	1,190	1,524	1,386
8,450	8,500	1,284	1,199	1,536	1,399
8,500	8,550	1,294	1,209	1,549	1,411
8,550	8,600	1,304	1,218	1,561	1,424
8,600	8,650	1,315	1,228	1,574	1,436
8,650	8,700	1,325	1,237	1,586	1,449
8,700	8,750	1,336	1,247	1,599	1,461
8,750	8,800	1,346	1,257	1,611	1,474
8,800	8,850	1,357	1,266	1,624	1,486
8,850	8,900	1,367	1,276	1,637	1,499
8,900	8,950	1,378	1,285	1,651	1,511
8,950	9,000	1,388	1,295	1,665	1,524
9,000	9,050	1,398	1,304	1,679	1,536
9,050	9,100	1,409	1,314	1,693	1,549
9,100	9,150	1,419	1,324	1,707	1,561
9,150	9,200	1,430	1,333	1,721	1,574
9,200	9,250	1,440	1,343	1,735	1,586
9,250	9,300	1,451	1,352	1,749	1,599
9,300	9,350	1,461	1,362	1,763	1,611
9,350	9,400	1,472	1,371	1,777	1,624
9,400	9,450	1,482	1,381	1,791	1,637
9,450	9,500	1,492	1,391	1,805	1,651
9,500	9,550	1,503	1,400	1,819	1,665
9,550	9,600	1,513	1,410	1,833	1,679
9,600	9,650	1,524	1,419	1,847	1,693
9,650	9,700	1,534	1,429	1,861	1,707
9,700	9,750	1,545	1,438	1,875	1,721
9,750	9,800	1,555	1,448	1,889	1,735
9,800	9,850	1,565	1,458	1,903	1,749
9,850	9,900	1,576	1,467	1,917	1,763
9,900	9,950	1,586	1,477	1,931	1,777
9,950	10,000	1,597	1,486	1,945	1,791

TABLE XVII—RETURNS CLAIMING 2 EXEMPTIONS

Taxable Years Beginning After December 31, 1970 and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$1,500	0	0	0	0	0
$1,500	1,525	0	0	0	0	$2
1,525	1,550	0	0	0	0	5
1,550	1,575	0	0	0	0	8
1,575	1,600	0	0	0	0	11
1,600	1,625	0	0	0	$2	14
1,625	1,650	0	0	0	5	17
1,650	1,675	0	0	0	9	20
1,675	1,700	0	0	0	12	24
1,700	1,725	0	0	0	16	27
1,725	1,750	0	0	0	19	30
1,750	1,775	0	0	0	23	33
1,775	1,800	0	0	0	26	36
1,800	1,825	0	0	0	30	39
1,825	1,850	0	0	0	33	42
1,850	1,875	0	0	0	37	45
1,875	1,900	0	0	0	40	48
1,900	1,925	0	0	0	44	51
1,925	1,950	0	0	0	47	54
1,950	1,975	0	0	0	51	57
1,975	2,000	0	0	0	54	60
2,000	2,025	0	0	0	58	63
2,025	2,050	0	0	0	61	66
2,050	2,075	0	0	0	65	69
2,075	2,100	0	0	0	68	72
2,100	2,125	0	0	0	72	76
2,125	2,150	0	0	0	76	79
2,150	2,175	0	0	0	79	82
2,175	2,200	0	0	0	83	85
2,200	2,225	9	0	0	87	89
2,225	2,250	0	0	0	91	92
2,250	2,275	0	0	0	94	95
2,275	2,300	0	0	0	98	99
2,300	2,325	0	0	0	102	102
2,325	2,350	0	0	0	106	105
2,350	2,375	$2	$2	$2	109	108
2,375	2,400	6	6	6	113	112
2,400	2,425	9	9	9	117	115
2,425	2,450	13	13	13	121	118
2,450	2,475	17	17	17	124	121
2,475	2,500	21	21	21	128	125
2,500	2,525	24	24	24	132	128
2,525	2,550	28	28	28	136	131
2,550	2,575	32	32	32	139	134
2,575	2,600	35	35	35	143	138
2,600	2,625	39	39	39	147	141
2,625	2,650	43	43	43	151	144
2,650	2,675	47	47	47	155	148
2,675	2,700	50	50	50	159	151
2,700	2,725	54	54	54	163	155
2,725	2,750	58	58	58	167	158
$2,750	$2,775	$62	$62	$62	$171	$162
2,775	2,800	65	65	65	175	165
2,800	2,825	69	69	69	179	169
2,825	2,850	73	73	73	183	172
2,850	2,875	77	77	77	187	175
2,875	2,900	81	80	80	191	179
2,900	2,925	85	84	84	195	182
2,925	2,950	89	88	88	199	186
2,950	2,975	93	91	91	203	189
2,975	3,000	97	95	95	207	193
3,000	3,050	103	101	101	213	198
3,050	3,100	111	108	108	221	205
3,100	3,150	119	116	116	229	212
3,150	3,200	127	123	123	238	219
3,200	3,250	135	131	131	246	226
3,250	3,300	143	138	138	255	233
3,300	3,350	151	146	146	263	241
3,350	3,400	160	155	154	272	248
3,400	3,450	168	163	162	280	256
3,450	3,500	177	172	170	289	263
3,500	3,550	186	181	178	297	270
3,550	3,600	194	189	186	306	278
3,600	3,650	203	198	194	315	285
3,650	3,700	211	206	202	324	293
3,700	3,750	220	215	210	334	300
3,750	3,800	228	223	218	343	307
3,800	3,850	237	232	226	353	315
3,850	3,900	247	240	234	362	324
3,900	3,950	256	249	242	372	332
3,950	4,000	265	257	250	381	340
4,000	4,050	274	266	258	391	348
4,050	4,100	283	274	266	400	357
4,100	4,150	292	283	274	410	365
4,150	4,200	301	291	282	419	373
4,200	4,250	310	300	290	429	381
4,250	4,300	320	310	299	438	390
4,300	4,350	330	319	307	448	398
4,350	4,400	340	329	316	457	406
4,400	4,450	351	338	324	467	414
4,450	4,500	361	348	333	476	423
4,500	4,550	371	358	341	486	431
4,550	4,600	381	367	350	495	439
4,600	4,650	391	377	358	505	448
4,650	4,700	401	386	367	514	456
4,700	4,750	411	396	375	524	464
4,750	4,800	421	406	384	533	472
4,800	4,850	432	415	392	543	481
4,850	4,900	442	425	401	552	489
4,900	4,950	452	434	409	562	497
4,950	5,000	462	444	418	571	505
5,000	5,050	472	454	427	581	514
5,050	5,100	482	463	435	590	522

TABLE XVII—RETURNS CLAIMING 2 EXEMPTIONS—Continued

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
$5,100	$5,150	$492	$473	$444	$600	$530
5,150	5,200	503	482	452	609	538
5,200	5,250	513	492	461	619	547
5,250	5,300	523	502	470	628	555
5,300	5,350	533	511	479	638	563
5,350	5,400	543	521	489	647	571
5,400	5,450	553	530	498	657	580
5,450	5,500	563	540	507	666	588
5,500	5,550	573	550	516	676	596
5,550	5,600	584	559	525	685	605
5,600	5,650	594	569	534	696	613
5,650	5,700	604	578	543	707	621
5,700	5,750	614	588	552	718	629
5,750	5,800	624	598	561	729	638
5,800	5,850	634	607	570	740	647
5,850	5,900	644	617	579	751	657
5,900	5,950	655	626	588	762	666
5,950	6,000	665	636	597	773	676
6,000	6,050	675	646	606	784	685
6,050	6,100	685	655	615	795	696
6,100	6,150	696	665	625	806	707
6,150	6,200	705	674	634	817	718
6,200	6,250	714	682	642	828	729
6,250	6,300	723	690	650	839	740
6,300	6,350	733	699	659	850	751
6,350	6,400	742	707	667	861	762
6,400	6,450	751	715	675	872	773
6,450	6,500	760	723	683	883	784
6,500	6,550	769	732	692	894	795
6,550	6,600	778	740	700	905	806
6,600	6,650	787	748	708	916	817
6,650	6,700	797	756	716	927	828
6,700	6,750	806	765	725	938	839
6,750	6,800	815	773	733	949	850
6,800	6,850	824	781	741	960	861
6,850	6,900	833	789	749	971	872
6,900	6,950	842	798	758	982	883
6,950	7,000	851	806	766	993	894
7,000	7,050	860	814	774	1,004	905
7,050	7,100	870	822	782	1,015	916
7,100	7,150	879	831	791	1,026	927
7,150	7,200	888	839	799	1,037	938
7,200	7,250	897	847	807	1,048	949
7,250	7,300	906	856	816	1,059	960
7,300	7,350	915	864	824	1,070	971
7,350	7,400	924	872	832	1,081	982
7,400	7,450	934	880	840	1,092	993
7,450	7,500	943	889	849	1,103	1,004
7,500	7,550	952	897	857	1,114	1,015
$7,550	$7,600	$961	$905	$865	$1,125	$1,026
7,600	7,650	970	913	873	1,136	1,037
7,650	7,700	979	922	882	1,149	1,048
7,700	7,750	988	930	890	1,161	1,059
7,750	7,800	997	938	898	1,174	1,070
7,800	7,850	1,007	946	906	1,186	1,081
7,850	7,900	1,016	955	915	1,199	1,092
7,900	7,950	1,025	963	923	1,211	1,103
7,950	8,000	1,034	971	931	1,224	1,114
8,000	8,050	1,043	980	940	1,236	1,125
8,050	8,100	1,052	988	948	1,249	1,136
8,100	8,150	1,061	996	956	1,261	1,149
8,150	8,200	1,071	1,004	964	1,274	1,161
8,200	8,250	1,080	1,013	973	1,286	1,174
8,250	8,300	1,089	1,021	981	1,299	1,186
8,300	8,350	1,098	1,029	989	1,311	1,199
8,350	8,400	1,107	1,037	997	1,324	1,211
8,400	8,450	1,117	1,047	1,006	1,336	1,224
8,450	8,500	1,128	1,056	1,014	1,349	1,236
8,500	8,550	1,138	1,066	1,022	1,361	1,249
8,550	8,600	1,148	1,075	1,030	1,374	1,261
8,600	8,650	1,159	1,085	1,039	1,386	1,274
8,650	8,700	1,169	1,094	1,047	1,399	1,286
8,700	8,750	1,180	1,104	1,055	1,411	1,299
8,750	8,800	1,190	1,114	1,064	1,424	1,311
8,800	8,850	1,201	1,123	1,072	1,436	1,324
8,850	8,900	1,211	1,133	1,080	1,449	1,336
8,900	8,950	1,222	1,142	1,088	1,461	1,349
8,950	9,000	1,232	1,152	1,097	1,474	1,361
9,000	9,050	1,242	1,161	1,105	1,486	1,374
9,050	9,100	1,253	1,171	1,113	1,499	1,386
9,100	9,150	1,263	1,181	1,121	1,511	1,399
9,150	9,200	1,274	1,190	1,130	1,524	1,411
9,200	9,250	1,284	1,200	1,138	1,536	1,424
9,250	9,300	1,295	1,209	1,146	1,549	1,436
9,300	9,350	1,305	1,219	1,154	1,561	1,449
9,350	9,400	1,316	1,228	1,163	1,574	1,461
9,400	9,450	1,326	1,238	1,171	1,586	1,474
9,450	9,500	1,336	1,248	1,179	1,599	1,486
9,500	9,550	1,347	1,257	1,187	1,611	1,499
9,550	9,600	1,357	1,267	1,196	1,624	1,511
9,600	9,650	1,368	1,276	1,204	1,637	1,524
9,650	9,700	1,378	1,286	1,212	1,651	1,536
9,700	9,750	1,389	1,295	1,221	1,665	1,549
9,750	9,800	1,399	1,305	1,229	1,679	1,561
9,800	9,850	1,409	1,315	1,237	1,693	1,574
9,850	9,900	1,420	1,324	1,245	1,707	1,586
9,900	9,950	1,430	1,234	1,254	1,721	1,599
9,950	10,000	1,441	1,343	1,662	1,735	1,611

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XVIII—RETURNS CLAIMING 3 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$2,250	0	0	0	0	0
$2,250	2,275	0	0	0	0	$3
2,275	2,300	0	0	0	0	6
2,300	2,325	0	0	0	0	9
2,325	2,350	0	0	0	0	12
2,350	2,375	0	0	0	$2	15
2,375	2,400	0	0	0	5	18
2,400	2,425	0	0	0	9	21
2,425	2,450	0	0	0	12	24
2,450	2,475	0	0	0	16	27
2,475	2,500	0	0	0	19	30
2,500	2,525	0	0	0	23	33
2,525	2,550	0	0	0	26	36
2,550	2,575	0	0	0	30	39
2,575	2,600	0	0	0	33	42
2,600	2,625	0	0	0	37	45
2,625	2,650	0	0	0	40	48
2,650	2,675	0	0	0	44	51
2,675	2,700	0	0	0	47	54
2,700	2,725	0	0	0	51	57
2,725	2,750	0	0	0	54	60
2,750	2,775	0	0	0	58	63
2,775	2,800	0	0	0	61	67
2,800	2,825	0	0	0	65	70
2,825	2,850	0	0	0	68	73
2,850	2,875	0	0	0	72	76
2,875	2,900	0	0	0	76	79
2,900	2,925	0	0	0	79	83
2,925	2,950	0	0	0	83	86
2,950	2,975	0	0	0	87	89
2,975	3,000	0	0	0	91	92
3,000	3,050	$4	$4	$4	96	97
3,050	3,100	11	11	11	104	104
3,100	3,150	19	19	19	111	110
3,150	3,200	26	26	26	119	117
3,200	3,250	34	34	34	126	123
3,250	3,300	41	41	41	134	130
3,300	3,350	49	49	49	141	136
3,350	3,400	56	56	56	149	143
3,400	3,450	63	63	63	157	150
3,450	3,500	71	71	71	165	157
3,500	3,550	79	78	78	173	164
3,550	3,600	87	86	86	181	171
$3,600	$3,650	$95	$93	$93	$189	$178
3,650	3,700	103	101	101	197	185
3,700	3,750	111	108	108	205	192
3,750	3,800	119	116	116	213	198
3,800	3,850	127	123	123	221	205
3,850	3,900	135	131	131	229	212
3,900	3,950	143	138	138	238	219
3,950	4,000	151	146	146	246	226
4,000	4,050	160	155	154	255	234
4,050	4,100	168	163	162	263	241
4,100	4,150	177	172	170	272	249
4,150	4,200	186	181	178	280	256
4,200	4,250	194	189	186	289	263
4,250	4,300	203	198	194	297	271
4,300	4,350	211	206	202	306	278
4,350	4,400	220	215	210	315	286
4,400	4,450	228	223	218	324	293
4,450	4,500	237	232	226	334	300
4,500	4,550	247	240	234	343	308
4,550	4,600	256	249	242	353	316
4,600	4,650	265	257	250	362	324
4,650	4,700	274	266	258	372	332
4,700	4,750	283	274	266	381	341
4,750	4,800	292	283	274	391	349
4,800	4,850	301	291	282	400	357
4,850	4,900	310	300	290	410	365
4,900	4,950	320	310	299	419	374
4,950	5,000	330	319	307	429	382
5,000	5,050	340	329	316	438	390
5,050	5,100	351	338	324	448	398
5,100	5,150	361	348	333	457	407
5,150	5,200	371	358	341	467	415
5,200	5,250	381	367	350	476	423
5,250	5,300	391	377	358	486	431
5,300	5,350	401	386	367	495	440
5,350	5,400	411	396	375	505	448
5,400	5,450	421	406	384	514	456
5,450	5,500	432	415	392	524	465
5,500	5,550	442	425	401	533	473
5,550	5,600	452	434	409	543	481
5,600	5,650	462	444	418	552	489
5,650	5,700	472	454	427	562	498
5,700	5,750	482	463	435	571	506

TABLE XVIII—RETURNS CLAIMING 3 EXEMPTIONS—Continued

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
$5,750	$5,800	$492	$473	$444	$581	$514
5,800	5,850	503	482	452	590	524
5,850	5,900	513	492	461	600	533
5,900	5,950	523	502	470	609	543
5,950	6,000	533	511	479	619	552
6,000	6,050	543	521	489	628	562
6,050	6,100	553	530	498	638	571
6,100	6,150	563	540	507	647	581
6,150	6,200	573	550	516	657	590
6,200	6,250	584	559	525	666	600
6,250	6,300	594	569	534	676	609
6,300	6,350	604	578	543	685	619
6,350	6,400	613	587	551	696	628
6,400	6,450	622	595	559	707	638
6,450	6,500	630	603	566	718	647
6,500	6,550	638	611	574	729	657
6,550	6,600	646	619	581	740	666
6,600	6,650	655	626	588	751	676
6,650	6,700	663	634	596	762	685
6,700	6,750	671	642	603	773	696
6,750	6,800	679	650	611	784	707
6,800	6,850	688	658	618	759	718
6,850	6,900	697	666	626	806	729
6,900	6,950	706	674	634	817	740
6,950	7,000	715	682	642	828	751
7,000	7,050	724	691	651	839	762
7,050	7,100	733	699	659	850	773
7,100	7,150	742	707	667	861	784
7,150	7,200	751	716	676	872	795
7,200	7,250	761	724	684	883	806
7,250	7,300	770	732	692	894	817
7,300	7,350	779	740	700	905	828
7,350	7,400	788	749	709	916	839
7,400	7,450	797	757	717	927	850
7,450	7,500	806	765	725	938	861
7,500	7,550	815	773	733	949	872
7,550	7,600	824	782	742	960	883
7,600	7,650	834	790	750	971	894
7,650	7,700	843	798	758	982	905
7,700	7,750	852	806	766	993	916
7,750	7,800	861	815	775	1,004	927
7,800	7,850	870	823	783	1,015	938
7,850	7,900	879	831	791	1,026	949
$7,900	$7,950	$888	$840	$800	$1,037	$960
7,950	8,000	898	848	808	1,048	971
8,000	8,050	907	856	816	1,059	982
8,050	8,100	916	864	824	1,070	993
8,100	8,150	925	873	833	1,081	1,004
8,150	8,200	934	881	841	1,092	1,015
8,200	8,250	943	889	849	1,103	1,026
8,250	8,300	952	897	857	1,114	1,037
8,300	8,350	961	906	866	1,125	1,048
8,350	8,400	971	914	874	1,136	1,059
8,400	8,450	980	922	882	1,149	1,070
8,450	8,500	989	930	890	1,161	1,081
8,500	8,550	998	939	899	1,174	1,092
8,550	8,600	1,007	947	907	1,186	1,103
8,600	8,650	1,016	955	915	1,199	1,114
8,650	8,700	1,025	963	923	1,211	1,125
8,700	8,750	1,035	972	932	1,224	1,136
8,750	8,800	1,044	980	940	1,236	1,149
8,800	8,850	1,053	988	948	1,249	1,161
8,850	8,900	1,062	997	957	1,261	1,174
8,900	8,950	1,071	1,005	965	1,274	1,186
8,950	9,000	1,080	1,013	973	1,286	1,199
9,000	9,050	1,089	1,021	981	1,299	1,211
9,050	9,100	1,099	1,030	990	1,311	1,224
9,100	9,150	1,108	1,038	998	1,324	1,236
9,150	9,200	1,118	1,047	1,006	1,336	1,249
9,200	9,250	1,128	1,057	1,014	1,349	1,261
9,250	9,300	1,139	1,066	1,023	1,361	1,274
9,300	9,350	1,149	1,076	1,031	1,374	1,286
9,350	9,400	1,160	1,085	1,039	1,386	1,299
9,400	9,450	1,170	1,095	1,047	1,399	1,311
9,450	9,500	1,180	1,105	1,056	1,411	1,324
9,500	9,550	1,191	1,114	1,064	1,424	1,336
9,550	9,600	1,201	1,124	1,072	1,436	1,349
9,600	9,650	1,212	1,133	1,081	1,449	1,361
9,650	9,700	1,222	1,143	1,089	1,461	1,374
9,700	9,750	1,233	1,152	1,097	1,474	1,386
9,750	9,800	1,243	1,162	1,105	1,486	1,399
9,800	9,850	1,253	1,172	1,114	1,499	1,411
9,850	9,900	1,264	1,181	1,122	1,511	1,424
9,900	9,950	1,274	1,191	1,130	1,524	1,436
9,950	10,000	1,285	1,200	1,138	1,536	1,449

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XIX—RETURNS CLAIMING 4 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$3,000	0	0	0	0	0
$3,000	3,050	0	0	0	0	$4
3,050	3,100	0	0	0	0	11
3,100	3,150	0	0	0	$4	17
3,150	3,200	0	0	0	11	23
3,200	3,250	0	0	0	18	29
3,250	3,300	0	0	0	25	35
3,300	3,350	0	0	0	32	41
3,350	3,400	0	0	0	39	47
3,400	3,450	0	0	0	46	53
3,450	3,500	0	0	0	53	59
3,500	3,550	0	0	0	60	65
3,550	3,600	0	0	0	67	72
3,600	3,650	0	0	0	74	78
3,650	3,700	$4	$4	$4	81	85
3,700	3,750	11	11	11	89	91
3,750	3,800	19	19	19	96	98
3,800	3,850	26	26	26	104	104
3,850	3,900	34	34	34	111	111
3,900	3,950	41	41	41	119	117
3,950	4,000	49	49	49	126	124
4,000	4,050	56	56	56	134	130
4,050	4,100	63	63	63	141	137
4,100	4,150	71	71	71	149	143
4,150	4,200	79	78	78	157	150
4,200	4,250	87	86	86	165	157
4,250	4,300	95	93	93	173	164
4,300	4,350	103	101	101	181	171
4,350	4,400	111	108	108	189	178
4,400	4,450	119	116	116	197	185
4,450	4,500	127	123	123	205	192
4,500	4,550	135	131	131	213	199
4,550	4,600	143	138	138	221	206
4,600	4,650	151	146	146	229	213
4,650	4,700	160	155	154	238	220
4,700	4,750	168	163	162	246	227
4,750	4,800	177	172	170	255	234
4,800	4,850	186	181	178	263	242
4,850	4,900	194	189	186	272	249
4,900	4,950	203	198	194	280	256
4,950	5,000	211	206	202	289	264
5,000	5,050	220	215	210	297	271
5,050	5,100	228	223	218	306	279
5,100	5,150	237	232	226	315	286
5,150	5,200	247	240	234	324	293
5,200	5,250	256	249	242	334	301
5,250	5,300	265	257	250	343	308
5,300	5,350	274	266	258	353	316
5,350	5,400	283	274	266	362	324
5,400	5,450	292	283	274	372	333
5,450	5,500	301	291	282	381	341
5,500	5,550	310	300	290	391	349
5,550	5,600	320	310	299	400	358
5,600	5,650	330	319	307	410	366
5,650	5,700	340	329	316	419	374
5,700	5,750	351	338	324	429	382
5,750	5,800	361	348	333	438	391
5,800	5,850	371	358	341	448	400
5,850	5,900	381	367	350	457	410
5,900	5,950	391	377	358	467	419
5,950	6,000	401	386	367	476	429
6,000	6,050	411	396	375	486	438
6,050	6,100	421	406	384	495	448
6,100	6,150	432	415	392	505	457
6,150	6,200	442	425	401	514	467
6,200	6,250	452	434	409	524	476
6,250	6,300	462	444	418	533	486
6,300	6,350	472	454	427	543	495
6,350	6,400	482	463	435	552	505
6,400	6,450	492	473	444	562	514
6,450	6,500	503	482	452	571	524
6,500	6,550	513	492	461	581	533

TABLE XIX—RETURNS CLAIMING 4 EXEMPTIONS—Continued

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
$6,550	$6,600	$523	$502	$470	$590	$543
6,600	6,650	531	509	478	600	552
6,650	6,700	539	517	485	609	562
6,700	6,750	548	525	493	619	571
6,750	6,800	556	533	500	628	581
6,800	6,850	564	541	507	638	590
6,850	6,900	572	549	515	647	600
6,900	6,950	581	556	522	657	609
6,950	7,000	589	564	530	666	619
7,000	7,050	597	572	537	676	628
7,050	7,100	605	580	544	685	638
7,100	7,150	614	588	552	696	647
7,150	7,200	622	596	559	707	657
7,200	7,250	630	603	567	718	666
7,250	7,300	639	611	574	729	676
7,300	7,350	647	619	581	740	685
7,350	7,400	655	627	589	751	696
7,400	7,450	663	635	596	762	707
7,450	7,500	672	643	604	773	718
7,500	7,550	680	650	611	784	729
7,550	7,600	688	658	618	795	740
7,600	7,650	697	666	626	806	751
7,650	7,700	706	675	635	817	762
7,700	7,750	715	683	643	828	773
7,750	7,800	724	691	651	839	784
7,800	7,850	734	699	659	850	795
7,850	7,900	743	708	668	861	806
7,900	7,950	752	716	676	872	817
7,950	8,000	761	724	684	883	828
8,000	8,050	770	733	693	894	839
8,050	8,100	779	741	701	905	850
8,100	8,150	788	749	709	916	861
8,150	8,200	798	757	717	927	872
8,200	8,250	807	766	726	938	883
8,250	8,300	816	774	734	949	894
$8,300	$8,350	$825	$782	$742	$960	$905
8,350	8,400	834	790	750	971	916
8,400	8,450	843	799	759	982	927
8,450	8,500	852	807	767	993	938
8,500	8,550	862	815	775	1,004	949
8,550	8,600	871	823	783	1,015	960
8,600	8,650	880	832	792	1,026	971
8,650	8,700	889	840	800	1,037	982
8,700	8,750	898	848	808	1,048	993
8,750	8,800	907	857	817	1,059	1,004
8,800	8,850	916	865	825	1,070	1,015
8,850	8,900	925	873	833	1,081	1,026
8,900	8,950	935	881	841	1,092	1,037
8,950	9,000	944	890	850	1,103	1,048
9,000	9,050	953	898	858	1,114	1,059
9,050	9,100	962	906	866	1,125	1,070
9,100	9,150	971	914	874	1,136	1,081
9,150	9,200	980	923	883	1,149	1,092
9,200	9,250	989	931	891	1,161	1,103
9,250	9,300	999	939	899	1,174	1,114
9,300	9,350	1,008	947	907	1,186	1,125
9,350	9,400	1,017	956	916	1,199	1,136
9,400	9,450	1,026	964	924	1,211	1,149
9,450	9,500	1,035	972	932	1,224	1,161
9,500	9,550	1,044	980	940	1,236	1,174
9,550	9,600	1,053	989	949	1,249	1,186
9,600	9,650	1,062	997	957	1,261	1,199
9,650	9,700	1,072	1,005	965	1,274	1,211
9,700	9,750	1,081	1,014	974	1,286	1,224
9,750	9,800	1,090	1,022	982	1,299	1,236
9,800	9,850	1,099	1,030	990	1,311	1,249
9,850	9,900	1,108	1,038	998	1,324	1,261
9,900	9,950	1,118	1,048	1,007	1,336	1,274
9,950	10,000	1,129	1,057	1,015	1,349	1,286

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XX—RETURNS CLAIMING 5 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$3,750	0	0	0	0	0
$3,750	3,800	0	0	0	$4	$5
3,800	3,850	0	0	0	11	11
3,850	3,900	0	0	0	18	17
3,900	3,950	0	0	0	25	23
3,950	4,000	0	0	0	32	29
4,000	4,050	0	0	0	39	35
4,050	4,100	0	0	0	46	41
4,100	4,150	0	0	0	53	47
4,150	4,200	0	0	0	60	54
4,200	4,250	0	0	0	67	60
4,250	4,300	0	0	0	74	66
4,300	4,350	$4	$4	$4	81	72
4,350	4,400	11	11	11	89	78
4,400	4,450	19	19	19	96	85
4,450	4,500	26	26	26	104	91
4,500	4,550	34	34	34	111	98
4,550	4,600	41	41	41	119	105
4,600	4,650	49	49	49	126	111
4,650	4,700	56	56	56	134	118
4,700	4,750	63	63	63	141	124
4,750	4,800	71	71	71	149	131
4,800	4,850	79	78	78	157	137
4,850	4,900	87	86	86	165	144
4,900	4,950	95	93	93	173	151
4,950	5,000	103	101	101	181	158
5,000	5,050	111	108	108	189	164
5,050	5,100	119	116	116	197	171
5,100	5,150	127	123	123	205	178
5,150	5,200	135	131	131	213	185
5,200	5,250	143	138	138	221	192
5,250	5,300	151	146	146	229	199
5,300	5,350	160	155	154	238	206
5,350	5,400	168	163	162	246	213
5,400	5,450	177	172	170	255	220
5,450	5,500	186	181	178	263	227
5,500	5,550	194	189	186	272	235
5,550	5,600	203	198	194	280	242
5,600	5,650	211	206	202	289	249
5,650	5,700	220	215	210	297	257
5,700	5,750	228	223	218	306	264
5,750	5,800	237	232	226	315	272
5,800	5,850	247	240	234	324	280
5,850	5,900	256	249	242	334	289
5,900	5,950	265	257	250	343	297
5,950	6,000	274	266	258	353	306
6,000	6,050	283	274	266	362	315
6,050	6,100	292	283	274	372	324
6,100	6,150	301	291	282	381	334
6,150	6,200	310	300	290	391	343
6,200	6,250	320	310	299	400	353
6,250	6,300	330	319	307	410	362
6,300	6,350	340	329	316	419	372
6,350	6,400	351	338	324	429	381
6,400	6,450	361	348	333	438	391
6,450	6,500	371	358	341	448	400
6,500	6,550	381	367	350	457	410
6,550	6,600	391	377	358	467	419
6,600	6,650	401	386	367	476	429
6,650	6,700	411	396	375	486	438
6,700	6,750	421	406	384	495	448
6,750	6,800	432	415	392	505	457
6,800	6,850	441	424	400	514	467
6,850	6,900	$449	$432	$407	$524	$476
6,900	6,950	457	439	414	533	486
6,950	7,000	465	447	421	543	495
7,000	7,050	474	455	428	552	505
7,050	7,100	482	463	435	562	514
7,100	7,150	490	471	442	571	524
7,150	7,200	499	479	449	581	533
7,200	7,250	507	486	456	590	543
7,250	7,300	515	494	463	600	552
7,300	7,350	523	502	471	609	562
7,350	7,400	532	510	478	619	571
7,400	7,450	540	518	486	628	581
7,450	7,500	548	526	493	638	590
7,500	7,550	556	533	500	647	600
7,550	7,600	565	541	508	657	609
7,600	7,650	573	549	515	666	619
7,650	7,700	581	557	523	676	628
7,700	7,750	589	565	530	685	638
7,750	7,800	598	573	537	696	647
7,800	7,850	606	580	545	707	657
7,850	7,900	614	588	552	718	666
7,900	7,950	623	596	560	729	676
7,950	8,000	631	604	567	740	685
8,000	8,050	639	612	574	751	696
8,050	8,100	647	620	582	762	707
8,100	8,150	656	627	589	773	718
8,150	8,200	664	635	597	784	729
8,200	8,250	672	643	604	795	740
8,250	8,300	680	651	611	806	751
8,300	8,350	689	659	619	817	762
8,350	8,400	698	667	627	828	773
8,400	8,450	707	675	635	839	784
8,450	8,500	716	683	643	850	795
8,500	8,550	725	692	652	861	806
8,550	8,600	734	700	660	872	817
8,600	8,650	743	708	668	883	828
8,650	8,700	752	716	676	894	839
8,700	8,750	762	725	685	905	850
8,750	8,800	771	733	693	916	861
8,800	8,850	780	741	701	927	872
8,850	8,900	789	750	710	938	883
8,900	8,950	798	758	718	949	894
8,950	9,000	807	766	726	960	905
9,000	9,050	816	774	734	971	916
9,050	9,100	826	783	743	982	927
9,100	9,150	835	791	751	993	938
9,150	9,200	844	799	759	1,004	949
9,200	9,250	853	807	767	1,015	960
9,250	9,300	862	816	776	1,026	971
9,300	9,350	871	824	784	1,037	982
9,350	9,400	880	832	792	1,048	993
9,400	9,450	889	840	800	1,059	1,004
9,450	9,500	899	849	809	1,070	1,015
9,500	9,550	908	857	817	1,081	1,026
9,550	9,600	917	865	825	1,092	1,037
9,600	9,650	926	874	834	1,103	1,048
9,650	9,700	935	882	842	1,114	1,059
9,700	9,750	944	890	850	1,125	1,070
9,750	9,800	953	898	858	1,136	1,081
9,800	9,850	963	907	867	1,149	1,092
9,850	9,900	972	915	875	1,161	1,103
9,900	9,950	981	923	883	1,174	1,114
9,950	10,000	990	931	891	1,186	1,125

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXI—RETURNS CLAIMING 6 EXEMPTIONS

Taxable Years Beginning After December 31, 1970 and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$4,400	0	0	0	0	0
$4,400	4,450	0	0	0	$4	0
4,450	4,500	0	0	0	11	0
4,500	4,550	0	0	0	18	$5
4,550	4,600	0	0	0	25	11
4,600	4,650	0	0	0	32	17
4,650	4,700	0	0	0	39	23
4,700	4,750	0	0	0	46	30
4,750	4,800	0	0	0	53	36
4,800	4,850	0	0	0	60	42
4,850	4,900	0	0	0	67	48
4,900	4,950	0	0	0	74	54
4,950	5,000	$4	$4	$4	81	60
5,000	5,050	11	11	11	89	66
5,050	5,100	19	19	19	96	72
5,100	5,150	26	26	26	104	79
5,150	5,200	34	34	34	111	85
5,200	5,250	41	41	41	119	92
5,250	5,300	49	49	49	126	98
5,300	5,350	56	56	56	134	105
5,350	5,400	63	63	63	141	111
5,400	5,450	71	71	71	149	118
5,450	5,500	79	78	78	157	124
5,500	5,550	87	86	86	165	131
5,550	5,600	95	93	93	173	138
5,600	5,650	103	101	101	181	144
5,650	5,700	111	108	108	189	151
5,700	5,750	119	116	116	197	158
5,750	5,800	127	123	123	205	165
5,800	5,850	135	131	131	213	173
5,850	5,900	143	138	138	221	181
5,900	5,950	151	146	146	229	189
5,950	6,000	160	155	154	238	197
6,000	6,050	168	163	162	246	205
6,050	6,100	177	172	170	255	213
6,100	6,150	186	181	178	263	221
6,150	6,200	194	189	186	272	229
6,200	6,250	203	198	194	280	238
6,250	6,300	211	206	202	289	246
6,300	6,350	220	215	210	297	255
6,350	6,400	228	223	218	306	263
6,400	6,450	237	232	226	315	272
6,450	6,500	247	240	234	324	280
6,500	6,550	256	249	242	334	289
6,550	6,600	265	257	250	343	297
6,600	6,650	274	266	258	353	306
6,650	6,700	283	274	266	362	315
6,700	6,750	292	283	274	372	324
6,750	6,800	301	291	282	381	334
6,800	6,850	310	300	290	391	343
6,850	6,900	320	310	299	400	353
6,900	6,950	330	319	307	410	362
6,950	7,000	340	329	316	419	372
7,000	7,050	350	338	324	429	381
7,050	7,100	358	346	331	438	391
7,100	7,150	367	354	338	448	400
7,150	7,200	$375	$362	$345	$457	$410
7,200	7,250	383	369	352	467	419
7,250	7,300	392	377	359	476	429
7,300	7,350	400	385	366	486	438
7,350	7,400	408	393	373	495	448
7,400	7,450	416	401	380	505	457
7,450	7,500	425	409	387	514	467
7,500	7,550	433	416	393	524	476
7,550	7,600	441	424	400	533	486
7,600	7,650	449	432	407	543	495
7,650	7,700	458	440	414	552	505
7,700	7,750	466	448	421	562	514
7,750	7,800	474	456	428	571	524
7,800	7,850	482	463	435	581	533
7,850	7,900	491	471	442	590	543
7,900	7,950	499	479	449	600	552
7,950	8,000	507	487	457	609	562
8,000	8,050	516	495	464	619	571
8,050	8,100	524	503	471	628	581
8,100	8,150	532	510	479	638	590
8,150	8,200	540	518	486	647	600
8,200	8,250	549	526	493	657	609
8,250	8,300	557	534	501	666	619
8,300	8,350	565	542	508	676	628
8,350	8,400	573	550	516	685	638
8,400	8,450	582	557	523	696	647
8,450	8,500	590	565	530	707	657
8,500	8,550	598	573	538	718	666
8,550	8,600	606	581	545	729	676
8,600	8,650	615	589	553	740	685
8,650	8,700	623	597	560	751	696
8,700	8,750	631	604	567	762	707
8,750	8,800	640	612	575	773	718
8,800	8,850	648	620	582	784	729
8,850	8,900	656	628	590	795	740
8,900	8,950	664	636	597	806	751
8,950	9,000	673	643	604	817	762
9,000	9,050	681	651	612	828	773
9,050	9,100	689	659	619	839	784
9,100	9,150	698	667	627	850	795
9,150	9,200	707	676	636	861	806
9,200	9,250	716	684	644	872	817
9,250	9,300	726	692	652	883	828
9,300	9,350	735	700	660	894	839
9,350	9,400	744	709	669	905	850
9,400	9,450	753	717	677	916	861
9,450	9,500	762	725	685	927	872
9,500	9,550	771	733	693	938	883
9,550	9,600	780	742	702	949	894
9,600	9,650	789	750	710	960	905
9,650	9,700	799	758	718	971	916
9,700	9,750	808	767	727	982	927
9,750	9,800	817	775	735	993	938
9,800	9,850	826	783	743	1,004	949
9,850	9,900	835	791	751	1,015	960
9,900	9,950	844	800	760	1,026	971
9,950	10,000	853	808	768	1,037	982

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXII—RETURNS CLAIMING 7 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$5,050	0	0	0	0	0
$5,050	5,100	0	0	0	$4	0
5,100	5,150	0	0	0	11	0
5,150	5,200	0	0	0	18	0
5,200	5,250	0	0	0	25	0
5,250	5,300	0	0	0	32	$5
5,300	5,350	0	0	0	39	12
5,350	5,400	0	0	0	46	18
5,400	5,450	0	0	0	53	24
5,450	5,500	0	0	0	60	30
5,500	5,550	0	0	0	67	36
5,550	5,600	0	0	0	74	42
5,600	5,650	$4	$4	$4	81	48
5,650	5,700	11	11	11	89	54
5,700	5,750	19	19	19	96	60
5,750	5,800	26	26	26	104	67
5,800	5,850	34	34	34	111	74
5,850	5,900	41	41	41	119	81
5,900	5,950	49	49	49	126	89
5,950	6,000	56	56	56	134	96
6,000	6,050	63	63	63	141	104
6,050	6,100	71	71	71	149	111
6,100	6,150	79	78	78	157	119
6,150	6,200	87	86	86	165	126
6,200	6,250	95	93	93	173	134
6,250	6,300	103	101	101	181	141
6,300	6,350	111	108	108	189	149
6,350	6,400	119	116	116	197	157
6,400	6,450	127	123	123	205	165
6,450	6,500	135	131	131	213	173
6,500	6,550	143	138	138	221	181
6,550	6,600	151	146	146	229	189
6,600	6,650	160	155	154	238	197
6,650	6,700	168	163	162	246	205
6,700	6,750	177	172	170	255	213
6,750	6,800	186	181	178	263	221
6,800	6,850	194	189	186	272	229
6,850	6,900	203	198	194	280	238
6,900	6,950	211	206	202	289	246
6,950	7,000	220	215	210	297	255
7,000	7,050	228	223	218	306	263
7,050	7,100	237	232	226	315	272
7,100	7,150	247	240	234	324	280
7,150	7,200	256	249	242	334	289
7,200	7,250	265	257	250	343	297
7,250	7,300	272	265	257	353	306
7,300	7,350	280	272	263	362	315
7,350	7,400	287	279	270	372	324
7,400	7,450	295	286	276	381	334
7,450	7,500	302	293	283	391	343
7,500	7,550	309	299	290	400	353
7,550	7,600	318	307	296	410	362
7,600	7,650	326	315	303	419	372
7,650	7,700	334	323	310	429	381
7,700	7,750	342	331	317	438	391
7,750	7,800	351	339	324	448	400
7,800	7,850	359	346	331	457	410
7,850	7,900	367	354	338	467	419
7,900	7,950	376	362	345	476	429
7,950	8,000	384	370	352	486	438
8,000	8,050	392	378	359	495	448
8,050	8,100	400	386	366	505	457
8,100	8,150	409	393	373	514	467
8,150	8,200	417	401	380	524	476
8,200	8,250	425	409	387	533	486
8,250	8,300	433	417	394	543	495
8,300	8,350	442	425	401	552	505
8,350	8,400	450	433	408	562	514
8,400	8,450	458	440	415	571	524
8,450	8,500	466	448	422	581	533
8,500	8,550	475	456	429	590	543
8,550	8,600	483	464	436	600	552
8,600	8,650	491	472	443	609	562
8,650	8,700	499	480	450	619	571
8,700	8,750	508	487	457	628	581
8,750	8,800	516	495	464	638	590
8,800	8,850	524	503	472	647	600
8,850	8,900	533	511	479	657	609
8,900	8,950	541	519	487	666	619
8,950	9,000	549	526	494	676	628
9,000	9,050	557	534	501	685	638
9,050	9,100	566	542	509	696	647
9,100	9,150	574	550	516	707	657
9,150	9,200	582	558	523	718	666
9,200	9,250	590	566	531	729	676
9,250	9,300	599	573	538	740	685
9,300	9,350	607	581	546	751	696
9,350	9,400	615	589	553	762	707
9,400	9,450	623	597	560	773	718
9,450	9,500	632	605	568	784	729
9,500	9,550	640	613	575	795	740
9,550	9,600	648	620	583	806	751
9,600	9,650	657	628	590	817	762
9,650	9,700	665	636	597	828	773
9,700	9,750	673	644	605	839	784
9,750	9,800	681	652	612	850	795
9,800	9,850	690	660	620	861	806
9,850	9,900	699	668	628	872	817
9,900	9,950	708	676	636	883	828
9,950	10,000	717	684	644	894	839

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXIII—RETURNS CLAIMING 8 EXEMPTIONS

Taxable Years Beginning After December 31, 1970 and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$5,700	0	0	0	0	0
$5,700	5,750	0	0	0	$4	0
5,750	5,800	0	0	0	11	0
5,800	5,850	0	0	0	18	0
5,850	5,900	0	0	0	25	0
5,900	5,950	0	0	0	32	0
5,950	6,000	0	0	0	39	$4
6,000	6,050	0	0	0	46	11
6,050	6,100	0	0	0	53	18
6,100	6,150	0	0	0	60	25
6,150	6,200	0	0	0	67	32
6,200	6,250	0	0	0	74	39
6,250	6,300	$4	$4	$4	81	46
6,300	6,350	11	11	11	89	53
6,350	6,400	19	19	19	96	60
6,400	6,450	26	26	26	104	67
6,450	6,500	34	34	34	111	74
6,500	6,550	41	41	41	119	81
6,550	6,600	49	49	49	126	89
6,600	6,650	56	56	56	134	96
6,650	6,700	63	63	63	141	104
6,700	6,750	71	71	71	149	111
6,750	6,800	79	78	78	157	119
6,800	6,850	87	86	86	165	126
6,850	6,900	95	93	93	173	134
6,900	6,950	103	101	101	181	141
6,950	7,000	111	108	108	189	149
7,000	7,050	119	116	116	197	157
7,050	7,100	126	123	123	205	165
7,100	7,150	134	130	130	213	173
7,150	7,200	141	137	137	221	181
7,200	7,250	149	144	144	229	189
7,250	7,300	157	152	151	238	197
7,300	7,350	165	160	159	246	205
7,350	7,400	173	168	166	255	213
7,400	7,450	181	176	174	263	221
7,450	7,500	189	184	181	272	229
7,500	7,550	197	192	189	280	238
7,550	7,600	205	200	196	289	246
7,600	7,650	213	208	204	297	255
7,650	7,700	221	216	211	306	263
7,700	7,750	229	223	218	315	272
7,750	7,800	236	230	225	324	280
7,800	7,850	243	237	231	334	289
7,850	7,900	251	244	238	343	297
7,900	7,950	258	251	244	353	306
7,950	8,000	266	258	251	362	315
8,000	8,050	273	265	257	372	324
8,050	8,100	280	272	264	381	334
8,100	8,150	288	279	270	391	343
8,150	8,200	295	286	277	400	353
8,200	8,250	302	293	283	410	362
8,250	8,300	310	300	290	419	372
8,300	8,350	318	308	297	429	381
8,350	8,400	326	316	304	438	391
8,400	8,450	335	323	311	448	400
9,450	8,500	343	331	318	457	410
8,500	8,550	351	339	325	467	419
8,550	8,600	359	347	332	476	429
8,600	8,650	368	355	339	486	438
8,650	8,700	376	363	346	495	448
8,700	8,750	384	370	353	505	457
8,750	8,800	393	378	359	514	467
8,800	8,850	401	386	366	524	476
8,850	8,900	409	394	373	533	486
8,900	8,950	417	402	380	543	495
8,950	9,000	426	409	387	552	505
9,000	9,050	434	417	394	562	514
9,050	9,100	442	425	401	571	524
9,100	9,150	450	433	408	581	533
9,150	9,200	459	441	415	590	543
9,200	9,250	467	449	422	600	552
9,250	9,300	475	456	429	609	562
9,300	9,350	483	464	436	619	571
9,350	9,400	492	472	443	628	581
9,400	9,450	500	480	450	638	590
9,450	9,500	508	488	457	647	600
9,500	9,550	516	496	465	657	609
9,550	9,600	525	503	472	666	619
9,600	9,650	533	511	480	676	628
9,650	9,700	541	519	487	685	638
9,700	9,750	550	527	494	996	647
9,750	9,800	558	535	502	707	657
9,800	9,850	566	543	509	718	666
9,850	9,900	574	550	517	729	676
9,900	9,950	583	558	524	740	685
9,950	10,000	591	566	531	751	696

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXIV—RETURNS CLAIMING 9 EXEMPTIONS

Taxable Years Beginning After December 31, 1970 and En ding Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$6,350	0	0	0	0	0
$6,350	6,400	0	0	0	$4	0
6,400	6,450	0	0	0	11	0
6,450	6,500	0	0	0	18	0
6,500	6,550	0	0	0	25	0
6,550	6,600	0	0	0	32	0
6,600	6,650	0	0	0	39	$4
6,650	6,700	0	0	0	46	11
6,700	6,750	0	0	0	53	18
6,750	6,800	0	0	0	60	25
6,800	6,850	0	0	0	67	32
6,850	6,900	$4	$4	$4	74	39
6,900	6,950	11	11	11	81	46
6,950	7,000	18	18	18	89	53
7,000	7,050	25	25	25	96	60
7,050	7,100	32	32	32	104	67
7,100	7,150	39	39	39	111	74
7,150	7,200	46	46	46	119	81
7,200	7,250	53	53	53	126	89
7,250	7,300	60	60	60	134	96
7,300	7,350	67	67	67	141	104
7,350	7,400	74	74	74	149	111
7,400	7,450	81	81	81	157	119
7,450	7,500	89	88	88	165	126
7,500	7,550	96	95	95	173	134
7,550	7,600	104	102	102	181	141
7,600	7,650	111	109	109	189	149
7,650	7,700	119	116	116	197	157
7,700	7,750	126	122	122	205	165
7,750	7,800	132	128	128	213	173
7,800	7,850	139	134	134	221	181
7,850	7,900	145	140	140	229	189
7,900	7,950	152	147	147	238	197
7,950	8,000	159	154	153	246	205
8,000	8,050	166	161	160	255	213
8,050	8,100	173	168	166	263	221
8,100	8,150	180	175	173	272	229
$8,150	$8,200	$187	$182	$179	$280	$238
8,200	8,250	194	189	186	289	246
8,250	8,300	201	196	192	297	255
8,300	8,350	208	203	199	306	263
8,350	8,400	215	210	205	315	272
8,400	8,450	222	217	212	324	280
8,450	8,500	229	224	218	334	289
8,500	8,550	236	231	225	343	297
8,550	8,600	244	238	232	353	306
8,600	8,650	251	245	238	362	315
8,650	8,700	259	252	245	372	324
8,700	8,750	266	259	251	381	334
8,750	8,800	273	265	258	391	343
8,800	8,850	281	272	264	400	353
8,850	8,900	288	279	271	410	362
8,900	8,950	296	286	277	419	372
8,950	9,000	303	293	284	429	381
9,000	9,050	310	300	290	438	391
9,050	9,100	319	308	297	448	400
9,100	9,150	327	316	304	457	410
9,150	9,200	335	324	311	467	419
9,200	9,250	343	332	318	476	429
9,250	9,300	352	339	325	486	438
9,300	9,350	360	347	332	495	448
9,350	9,400	368	355	339	505	457
9,400	9,450	376	363	346	514	467
9,450	9,500	385	371	353	524	476
9,500	9,550	393	379	360	533	486
9,550	9,600	401	386	367	543	495
9,600	9,650	410	394	374	552	505
9,650	9,700	418	402	381	562	514
9,700	9,750	426	410	388	571	524
9,750	9,800	434	418	395	581	533
9,800	9,850	443	426	402	590	543
9,850	9,900	451	433	409	600	552
9,900	9,950	459	441	416	609	562
9,950	10,000	467	449	423	619	571

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXV—RETURNS CLAIMING 10 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$7,000	0	0	0	0	0
$7,000	7,050	0	0	0	$4	0
7,050	7,100	0	0	0	11	0
7,100	7,150	0	0	0	18	0
7,150	7,200	0	0	0	25	0
7,200	7,250	0	0	0	32	0
7,250	7,300	0	0	0	39	$4
7,300	7,350	0	0	0	46	11
7,350	7,400	0	0	0	53	18
7,400	7,450	0	0	0	60	25
7,450	7,500	0	0	0	67	32
7,500	7,550	$4	$4	$4	74	39
7,550	7,600	11	11	11	81	46
7,600	7,650	18	18	18	89	53
7,650	7,700	25	25	25	96	60
7,700	7,750	31	31	31	104	67
7,750	7,800	37	37	37	111	74
7,800	7,850	43	43	43	119	81
7,850	7,900	49	49	49	126	89
7,900	7,950	55	55	55	134	96
7,950	8,000	61	61	61	141	104
8,000	8,050	67	67	67	149	111
8,050	8,100	74	74	74	157	119
8,100	8,150	80	80	80	165	126
8,150	8,200	87	86	86	173	134
8,200	8,250	93	92	92	181	141
8,250	8,300	100	98	98	189	149
8,300	8,350	106	104	104	197	157
8,350	8,400	113	110	110	205	165
8,400	8,450	119	116	116	213	173
$8,450	$8,500	$126	$122	$122	$221	$181
8,500	8,550	133	128	128	229	189
8,550	8,600	139	134	134	238	197
8,600	8,650	146	141	141	246	205
8,650	8,700	153	148	147	255	213
8,700	8,750	160	155	154	263	221
8,750	8,800	166	161	160	272	229
8,800	8,850	173	168	167	280	238
8,850	8,900	180	175	173	289	246
8,900	8,950	187	182	180	297	255
8,950	9,000	194	189	186	306	263
9,000	9,050	201	196	193	315	272
9,050	9,100	208	203	199	324	280
9,100	9,150	215	210	206	334	289
9,150	9,200	222	217	212	343	297
9,200	9,250	229	224	219	353	306
9,250	9,300	237	231	225	362	315
9,300	9,350	244	238	232	372	324
9,350	9,400	252	245	238	381	334
9,400	9,450	259	252	245	391	343
9,450	9,500	266	259	251	400	353
9,500	9,550	274	266	258	410	362
9,550	9,600	281	273	265	419	372
9,600	9,650	289	280	271	429	381
9,650	9,700	296	287	278	438	391
9,700	9,750	303	294	284	448	400
9,750	9,800	311	301	291	457	410
9,800	9,850	319	309	298	467	419
9,850	9,900	327	316	305	476	429
9,900	9,950	336	324	312	486	438
9,950	10,000	344	332	319	495	448

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXVI—RETURNS CLAIMING 11 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$7,650	0	0	0	0	0
$7,650	7,700	0	0	0	$4	0
7,700	7,750	0	0	0	11	0
7,750	7,800	0	0	0	18	0
7,800	7,850	0	0	0	25	0
7,850	7,900	0	0	0	32	0
7,900	7,950	0	0	0	39	$4
7,950	8,000	0	0	0	46	11
8,000	8,050	0	0	0	53	18
8,050	8,100	0	0	0	60	25
8,100	8,150	0	0	0	67	32
8,150	8,200	0	0	0	74	39
8,200	8,250	$1	$1	$1	81	46
8,250	8,300	7	7	7	89	53
8,300	8,350	13	13	13	96	60
8,350	8,400	19	19	19	104	67
8,400	8,450	25	25	25	111	74
8,450	8,500	31	31	31	119	81
8,500	8,550	37	37	37	126	89
8,550	8,600	43	43	43	134	96
8,600	8,650	50	50	50	141	104
8,650	8,700	56	56	56	149	111
8,700	8,750	62	62	62	157	119
8,750	8,800	68	68	68	165	126
$8,800	$8,850	$74	$74	$74	$173	$134
8,850	8,900	81	80	80	181	141
8,900	8,950	87	86	86	189	149
8,950	9,000	94	92	92	197	157
9,000	9,050	100	98	98	205	165
9,050	9,100	107	104	104	213	173
9,100	9,150	113	110	110	221	181
9,150	9,200	120	117	117	229	189
9,200	9,250	126	123	123	238	197
9,250	9,300	133	129	129	246	205
9,300	9,350	139	135	135	255	213
9,350	9,400	146	141	141	263	221
9,400	9,450	153	148	147	272	229
9,450	9,500	160	155	154	280	238
9,500	9,550	167	162	161	289	246
9,550	9,600	174	169	167	297	255
9,600	9,650	181	176	174	306	263
9,650	9,700	188	183	180	315	272
9,700	9,750	195	190	187	324	280
9,750	9,800	202	197	193	334	289
9,800	9,850	209	204	200	343	297
9,850	9,900	216	211	206	353	306
9,900	9,950	223	218	213	362	315
9,950	10,000	230	225	219	372	324

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXVII—RETURNS CLAIMING 12 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$8,300	0	0	0	0	0
$8,300	8,350	0	0	0	$14	0
8,350	8,400	0	0	0	11	0
8,400	8,450	0	0	0	18	0
8,450	8,500	0	0	0	25	0
8,500	8,550	0	0	0	32	0
8,550	8,600	0	0	0	39	$4
8,600	8,650	0	0	0	46	11
8,650	8,700	0	0	0	53	18
8,700	8,750	0	0	0	60	25
8,750	8,800	0	0	0	67	32
8,800	8,850	0	0	0	74	39
8,850	8,900	0	0	0	81	46
8,900	8,950	0	0	0	89	53
8,950	9,000	$1	$1	$1	96	60
9,000	9,050	7	7	7	104	67
9,050	9,100	13	13	13	111	74
9,100	9,150	19	19	19	119	81
$9,150	$9,200	$26	$26	$26	$126	$89
9,200	9,250	32	32	32	134	96
9,250	9,300	38	38	38	141	104
9,300	9,350	44	44	44	149	111
9,350	9,400	50	50	50	157	119
9,400	9,450	56	56	56	165	126
9,450	9,500	62	62	62	173	134
9,500	9,550	68	68	68	181	141
9,550	9,600	75	74	74	189	149
9,600	9,650	81	80	80	197	157
9,650	9,700	88	86	86	205	165
9,700	9,750	94	93	93	213	173
9,750	9,800	101	99	99	221	181
9,800	9,850	107	105	105	229	189
9,850	9,900	114	111	111	238	197
9,900	9,950	120	117	117	246	205
9,950	10,000	127	123	123	255	213

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXVIII—RETURNS CLAIMING 13 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$8,950	0	0	0	0	0
$8,950	9,000	0	0	0	$4	0
9,000	9,050	0	0	0	11	0
9,050	9,100	0	0	0	18	0
9,100	9,150	0	0	0	25	0
9,150	9,200	0	0	0	32	0
9,200	9,250	0	0	0	39	$4
9,250	9,300	0	0	0	46	11
9,300	9,350	0	0	0	53	18
9,350	9,400	0	0	0	60	22
9,400	9,450	0	0	0	67	35
$9,450	$9,500	0	0	0	$74	$39
9,500	9,550	0	0	0	81	46
9,550	9,600	0	0	0	89	53
9,600	9,650	0	0	0	96	60
9,650	9,700	0	0	0	104	67
9,700	9,750	$2	$2	$2	111	74
9,750	9,800	8	8	8	119	81
9,800	9,850	14	14	14	126	89
9,850	9,900	20	20	20	134	96
9,900	9,950	26	26	26	141	104
9,950	10,000	32	32	32	149	111

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXIX—RETURNS CLAIMING 14 EXEMPTIONS

Taxable Years Beginning After December 31, 1970, and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$9,600	0	0	0	0	0
$9,600	9,650	0	0	0	$4	0
9,650	9,700	0	0	0	11	0
9,700	9,750	0	0	0	18	0
9,750	9,800	0	0	0	25	0
$9,800	$9,850	0	0	0	$32	0
9,850	9,900	0	0	0	39	$4
9,900	9,950	0	0	0	46	11
9,950	10,000	0	0	0	53	18

*This column may also be used by certain widows or widowers who qualify for special tax rates.

TABLE XXX—RETURNS CLAIMING 15 EXEMPTIONS

Taxable Years Beginning After December 31, 1970 and Ending Before January 1, 1972

If adjusted gross income is—		And you are—				
		Single, not head of household	Head of household	Married* filing joint return	Married filing a separate return claiming—	
At least	But less than				Low income allowance	Standard deduction
		Your tax is—				
0	$10,250	0	0	0	0	0

*This column may also be used by certain widows or widowers who qualify for special tax rates.

PAR. 9. Section 1.3-1 is amended to read as follows:

§ 1.3-1 Application of optional tax.

(a) *General rules.* (1) For taxable years ending before January 1, 1970, an individual whose adjusted gross income is less than $5,000 (or a husband and wife filing a joint return whose combined adjusted gross income is less than $5,000) may elect to pay the tax imposed by section 3 in place of the tax imposed by section 1 (a) or (b). For taxable years beginning after December 31, 1969 and before January 1, 1971 an individual whose adjusted gross income is less than $10,000 (or a husband and wife filing a joint return whose combined adjusted gross income is less than $10,000) may elect to pay the tax imposed by section 3 as amended by the Tax Reform Act of 1969 in place of the tax imposed by section 1 (a) or (b). For taxable years beginning after December 31, 1970 an individual whose adjusted gross income is less than $10,000 (or a husband and wife filing a joint return whose combined adjusted gross income is less than $10,000) may elect to pay the tax imposed by section 3 as amended in place of the tax imposed by section 1 as amended. See § 1.4-2 for the manner of making such election. A taxpayer may make such election regardless of the sources from which his income is derived and regardless of whether his income is computed by the cash method or the accrual method. See section 62 and the regulations thereunder for the determination of adjusted gross income. For the purpose of determining whether a taxpayer may elect to pay the tax under section 3, the amount of the adjusted gross income is controlling, without reference to the number of exemptions to which the taxpayer may be entitled. See section 4 and the regulations thereunder for additional rules applicable to section 3.

(2) The following examples illustrate the rule that section 3 applies only if the adjusted gross income is less than $10,000 ($5,000 for taxable years ending before January 1, 1970).

Example (1). A is employed at a salary of $9,200 for the calendar year 1970. In the course of such employment, he incurred travel expenses of $1,500 for which he was reimbursed during the year. Such items constitute his sole income for 1970. In such case the gross income is $10,700 but the amount of $1,500 is deducted from gross income in the determination of adjusted gross income and thus A's adjusted gross income for 1954 is $9,200. Hence, the adjusted gross income being less than $10,000, he may elect to pay his tax for 1970 under section 3. Similarly, in the case of an individual engaged in trade or business (excluding from the term "engaged in trade or business" the performance of personal services as an employee), there may be deducted from gross income in ascertaining adjusted gross income those expenses directly relating to the carrying on of such trade or business.

Example (2). If B has, as his only income for 1970, a salary of $11,600 and his spouse has no gross income, then B's adjusted gross income is $11,600 (not $11,600 reduced by exemptions of $1,250) and he is not for such year, entitled to pay his tax under section 3. If, however, B has for 1970 a salary of $13,000 and incident to his employment he incurs expenses in the amount of $3,400 for travel, meals, and lodging while away from home, for which he is not reimbursed, the adjusted gross income is $13,000 minus $3,400 or $9,600. In such case his adjusted gross income being less than $10,000, B may elect to pay the tax under section 3. However, if B's wife has adjusted gross income of $400, the total adjusted gross income is $10,000. In such case, if B and his wife file a joint return, they may not elect to pay the optional tax since the combined adjusted gross income is not less than $10,000. B may nevertheless elect to pay the optional tax, but if he makes this election he must file a separate return and, since his wife has gross income, he may not claim an exemption for her in computing the optional tax.

(b) *Surviving spouse.* The return of a surviving spouse is treated as a joint return for purposes of section 3. See section 2, and the regulations thereunder, with respect to the qualifications of taxpayer as a surviving spouse. Accordingly, if the taxpayer qualifies as a surviving spouse and elects to pay the optional tax, he shall use the column in the tax table, appropriate to his number of exemptions, provided for cases in which a joint return is filed.

(c) *Use of tax table.* (1) To determine the amount of the tax, the individual ascertains the amount of his adjusted gross income, refers to the appropriate table set forth in section 3 or the regulations thereunder, ascertains the income bracket into which such income falls,

and, using the number of exemptions applicable to his case, finds the tax in the vertical column having at the top thereof a number corresponding to the number of exemptions to which the taxpayer is entitled.

(2) Section 3(b) (relating to taxable years beginning after Dec. 31, 1964 and ending before Jan. 1, 1970) contains 5 tables for use in computing the tax. Table I is to be used by a single person who is not a head of household. Table II is to be used by a head of household. Table III is to be used by married persons filing joint returns and by a surviving spouse. Table IV is to be used by married persons filing separate returns using the 10 percent standard deduction. Table V is to be used by married persons filing separate returns using the minimum standard deduction. For an explanation of the standard deduction see section 141 and the regulations thereunder.

(3) 30 tables are provided for use in computing the tax under the Tax Reform Act of 1969. Tables I through XV apply for taxable years beginning after December 31, 1969 and ending before January 1, 1971. Tables XVI through XXX apply for taxable years beginning after December 31, 1970. The standard deduction for Tables I through XV, applicable to taxable years beginning in 1970, is 10 percent. The standard deduction for Tables XVI through XXX, applicable to taxable years beginning in 1971, is 13 percent. For an explanation of the standard deduction and the low income allowance see section 141 as amended by the Tax Reform Act of 1969.

(4) In the case of married persons filing separate returns who qualify to use the optional tax imposed by section 3, such persons shall use the tax imposed by the table for the applicable year in accordance with the rules prescribed by sections 4(c) and 141 and the regulations thereunder governing the use and application of the standard deduction and the low income allowance.

(5) The tax shown in the tax tables set forth in section 3 reflects full income splitting in the case of a joint return (including the return of a surviving spouse) and lesser income splitting in the case of a head of household. Therefore, it is possible for the tax shown in the tables relating to joint returns, or relating to a return of a head of a household, to be lower than that shown in the table for separate returns even though the amounts of adjusted gross income and the number of exemptions are the same.

PAR. 10. Section 1.511 is amended by revising subsection (b)(1) of section 511 to reflect the change made by section 803(d)(2) of the Tax Reform Act of 1969 and by revising the historical note. The amended provision and note read as follows:

§ 1.511 Statutory provisions; imposition of tax on unrelated business income of charitable, etc., organizations.

SEC. 511. Imposition of tax on unrelated business income of charitable organizations * * *

(b) *Tax on Charitable, etc., trusts.*—

(1) *Imposition of tax.*—There is hereby imposed for each taxable year on the unrelated business taxable income of every trust described in paragraph (2) a tax computed as provided in section 1(d). In making such computation for purposes of this section, the term "taxable income" as used in section 1 shall be read as "unrelated business taxable income" as defined in section 512.

* * * * *

[Sec. 511 as amended by sec. 3, Act of July 14, 1960 (74 Stat. 535); sec. 803(d)(2) Tax Reform Act 1969 (83 Stat. 487, 684)]

PAR. 11. Section 1.511–1 is amended to read as follows:

§ 1.511–1 Imposition and rates of tax.

Section 511(a) imposes a tax upon the unrelated business taxable income of certain organizations otherwise exempt from Federal income tax. Under section 511(a)(1), organizations described in section 511(a)(2)(A) and in paragraph (a) of § 1.511–2 and organizations described in section 511(a)(2)(B) are subject to normal tax and surtax at the corporate rates provided by section 11. Under section 511(b)(1), trusts described in section 511(b)(2) are subject to tax at the individual rates prescribed in section 1(d) of the Code as amended by the Tax Reform Act of 1969 (section 1 for taxable years ending before Jan. 1, 1971). The deduction for personal exemption provided in section 642(b) in the case of a trust taxable under subchapter J, chapter 1 of the Code, is not allowed in computing unrelated business taxable income.

PAR. 12. Section 1.641 is amended by revising subsection (a) of section 641 to reflect the change made by section 803(d)(3) of the Tax Reform Act of 1969 and by adding a historical note thereafter. The amended provision and note read as follows:

§ 1.641(a) Statutory provisions; estates and trusts; imposition of tax; application of tax.

SEC. 641. Imposition of tax—(a) *Application of Tax.*—The tax imposed by section 1(d) shall apply to the taxable income of estates or of any kind of property held in trust, including—

* * * * *

[Sec. 641(a) as amended by sec. 803(d)(3) Tax Reform Act of 1969 (83 Stat. 487, 684)]

PAR. 13. Section 1.641(a)–1 is amended to read as follows:

§ 1.641(a)–1 Imposition of tax; application of tax.

For taxable years beginning after December 31, 1970, section 641 prescribes that the taxes imposed by section 1(d), as amended by the Tax Reform Act of 1969, shall apply to the income of estates or of any kind of property held in trust. For taxable years ending before January 1, 1971, section 641 prescribes that the taxes imposed upon individuals by chapter 1 of the Code apply to the income of estates or of any kind of property held in trust. The rates of tax, the statutory provisions respecting gross income, and, with certain exceptions, the deductions and credits allowed to individuals apply also to estates and trust.

PAR. 14. Section 1.632 is amended by revising section 632 to reflect the changes made by section 803(d)(4) of the Tax Reform Act of 1969 and by adding a historical note thereafter. The amended provision and historical note read as follows:

§ 1.632 Statutory provisions; sale of oil or gas properties.

SEC. 632. *Sale of oil or gas properties.* In the case of a bona fide sale of any oil or gas property, or any interest therein, where the principal value of the property has been demonstrated by prospecting or exploration or discovery work done by the taxpayer, the portion of the tax imposed by section 1 attributable to such sale shall not exceed 33 percent of the selling price of such property or interest.

[Sec. 632 as amended by sec. 803(d)(4), Tax Reform Act 1969 (83 Stat. 487, 684)]

PAR. 15. Paragraph (a) of § 1.632–1 is amended to read as follows:

§ 1.632–1 Tax on sale of oil or gas properties.

(a) If the taxpayer, by prospecting and locating claims or by exploring or discovering undeveloped claims, has demonstrated the principal value of oil or gas property, which prior to his efforts had a relatively minor value, the portion of the tax (or, in the case of taxable years beginning before Jan. 1, 1971, the surtax) imposed by section 1 attributable to a sale of such property, or of any interest of the taxpayer therein, shall not exceed 33 percent (or, in the case of taxable years beginning before Jan. 1, 1971, 30 percent) of the selling price of such property or such interest. Shares of stock in a corporation owning oil or gas property do not constitute an interest in such property. To determine the application of section 632 to a particular case, the taxpayer should first compute the tax (or surtax) imposed by section 1 upon his entire taxable income, including the taxable income from any sale of such property or interest therein, without regard to section 632. The proportion of the tax (or surtax) so computed, indicated by the ratio which the taxpayer's taxable income from the sale of the property or interest therein, computed as prescribed in this section, bears to his total taxable income is the portion of the tax attributable to such sale and, if it exceeds 33 percent (or 30 percent) of the selling price of such property or interest, such portion of the tax (or surtax) shall be reduced to that amount.

PAR. 16. Section 1.1347 is amended by revising section 1347 to reflect the changes made by section 803(d)(5) of the Tax Reform Act of 1969 and by revising the historical note thereafter. The amended provision and note read as follows:

§ 1.1347 Statutory provisions; claims against the United States involving acquisition of property.

SEC. 1347. *Claims against the United States involving acquisition of property.* In the case of amounts (other than interest) received by a taxpayer from the United States with respect to a claim against the United States involving the acquisition of property and remaining unpaid for more than 15 years, the

tax imposed by section 1 attributable to such receipt shall not exceed 33 percent of the amount (other than interest) so received. This section shall apply only if claim was filed with the United States before January 1, 1958.

[Sec. 1347 as amended by sec. 61 Technical Amendments Act 1958 (72 Stat. 1648); sec. 803(d)(5), Tax Reform Act 1969 (83 Stat. 487, 684)]

PAR. 17. Paragraphs (a) and (b) of § 1.1347–1 are amended to read as follows:

§ 1.1347–1 Tax on certain amounts received from the United States.

(a) In the case of an amount (other than interest) received from the United States by an individual under a claim involving acquisition of property and remaining unpaid for more than 15 years, the tax (or, in the case of taxable years beginning before Jan. 1, 1971, the surtax) imposed by section 1 attributable to such amount shall not exceed 33 percent of the amount (other than interest) so received (30 percent for taxable years beginning before Jan. 1, 1971). For the purpose of section 1347 and this section, such amount shall not include any amount received from the United States which constitutes interest, whether such interest was included in the claim or in any judgment thereon or has accrued on such judgment. Section 1347 and this section shall only apply with respect to amounts received under a claim filed with the United States before January 1, 1958.

(b) To determine the application of section 1347 and this section to a particular amount, the taxpayer shall first compute the tax (or, in the case of taxable years beginning before Jan. 1, 1971, the surtax) imposed by section 1 upon his entire taxable income, including the amount specified in paragraph (a) of this section, without regard to the limitation on tax provided in section 1347. The proportion of the tax (or surtax), so computed, indicated by the ratio which the taxpayer's taxable income attributable to the amount specified in paragraph (a) of this section, computed as prescribed in paragraph (c) of this section (bears to his total taxable income, is the portion of the tax (or surtax) attributable to such amount. If this portion of the tax (or surtax) exceeds 33 percent (30 percent for taxable years beginning before Jan. 1, 1971) of the amount specified in paragraph (a) of this section, that portion of the tax (or surtax) shall be reduced to 33 percent (or 30 percent) of such amount.

PAR. 18. Section 1.5 is amended by revising subsection (b) of section 5 to reflect the changes made by section 803(d)(6) of the Tax Reform Act of 1969 and by revising the historical note. The amended provision and note read as follows:

§ 1.5 Statutory provisions; cross reference relating to tax on individuals.

SEC. 5. *Cross references relating to tax on individuals.* * * *

(b) Special limitations on tax.—

(1) For limitation on tax attributable to sales of oil or gas properties, see section 632.

(2) For limitation on tax in case of income of members of Armed Forces on death, see section 692.

(3) For limitation on tax where an individual chooses the benefits of income averaging, see section 1301.

(4) For computation of tax where taxpayer restores substantial amount held under claim of right, see section 1341.

(5) For limitation on tax attributable to claims against the United States involving acquisitions of property, see section 1347.

[Sec. 5 as amended by sec. 232(b)(2), Rev. Act 1964 (78 Stat. 111); sec. 803(d)(6) Tax Reform Act 1969 (83 Stat. 487, 684).]

PAR. 19. Section 1.6015 is amended by revising subsection (a)(1) of section 6015 to reflect the changes made by section 803(d)(7) of the Tax Reform Act of 1969 and by revising the historical note. The amended provision and note read as follows:

§ 1.6015 Statutory provisions; declaration of estimated income tax by individuals; requirement of declaration.

SEC. 6015. *Declaration of estimated income tax by individuals*—

(a) Requirement of declaration. Except as otherwise provided in subsection (i), every individual shall make a declaration of his estimated tax for the taxable year if—

(1) The gross income for the taxable year can reasonably be expected to exceed—

(A) $5,000, in the case of—

(i) A single individual other than a head of a household (as defined in section 2(b) or a surviving spouse (as defined in section 2(a));

(ii) A married individual not entitled under subsection (b) to file a joint declaration with his spouse; or

(iii) A married individual entitled under subsection (b) to file a joint declaration with his spouse, but only if the aggregate gross income of such individual and his spouse for the taxable year can reasonably be expected to exceed $10,000; or

(B) $10,000, in the case of—

(i) A head of a household (as defined in section 2(b)); or

(ii) A surviving spouse (as defined in section 2(a)); or

* * * * *

[Sec. 6015(a) as amended by sec. 5, Act of Sept. 14, 1960 (74 Stat. 1000); sec. 103(j)(1) Foreign Investors Tax Act 1966 (74 Stat. 1000); sec. 803(d)(7) Tax Reform Act 1969 (83 Stat. 487, 684)]

PAR. 20. Section 1.6015(a)–1 is amended by revising paragraph (a) to read as follows:

§ 1.6015(a)–1 Declaration of estimated income tax by individuals.

(a) *Requirement*—(1) *Taxable years beginning after December 31, 1966.* With respect to taxable years beginning after December 31, 1966, a declaration of estimated income tax by an individual is not required if the estimated tax (as defined in section 6015(c)) can reasonably be expected to be less than $40. In all other cases a declaration of estimated income tax shall be made by every individual if the following conditions are met and if such individual is not a nonresident alien individual who is excepted under section 6015(i) and § 1.6015(i)–1 from the requirement of making a declaration:

(i) The gross income for the taxable year can reasonably be expected to exceed—

(*a*) $5,000, in the case of—

(*1*) A single individual other than a head of a household (as defined in section 1(b)(2) for taxable years ending before Jan. 1, 1971, or as defined in section 2(b) of the Code as amended by the Tax Reform Act of 1969 for taxable years beginning after Dec. 31, 1970) or a surviving spouse (as defined in section 2(b) for taxable years ending before Jan. 1, 1971, or as defined in section 2(a) of the Code as amended by the Tax Reform Act of 1969 for taxable years beginning after Dec. 31, 1970);

(*2*) A married individual not entitled under section 6015(b) to file a joint declaration with his spouse; or

(*3*) A married individual entitled under section 6015(b) to file a joint declaration with his spouse, but only if the aggregate gross income of such individual and his spouse for the taxable year can reasonably be expected to exceed $10,000; or

(*b*) $10,000, in the case of—

(*1*) A head of household (as defined in section 1(b)(2) for taxable years ending before Jan. 1, 1971, or as defined in section 2(b) of the Code as amended by the Tax Reform Act of 1969 for taxable years beginning after Dec. 31, 1970); or

(*2*) A surviving spouse (as defined in section 2(b) for taxable years ending before Jan. 1, 1971, or as defined in section 2(a) of the Code as amended by the Tax Reform Act of 1969 for taxable years beginning after Dec. 31, 1970); or

(ii) The gross income can reasonably be expected to include more than $200 from sources other than wages (as defined in section 3401(a)).

(2) *Taxable years beginning before January 1, 1967.* With respect to taxable years beginning before January 1, 1967, and after December 31, 1960, a declaration of estimated income tax by an individual is not required if the estimated tax (as defined in section 6015(c)) can reasonably be expected to be less than $40. In all other cases a declaration shall be made by every citizen of the United States, whether residing at home or abroad, every individual residing in the United States though not a citizen thereof, every nonresident alien who is a resident of Canada, Mexico, or Puerto Rico and who has wages subject to withholding at the source under section 3402, and every nonresident alien who has been, or expects to be, a resident of Puerto Rico during the entire taxable year, if—

(i) The gross income for the taxable year can reasonably be expected to exceed—

(*a*) $5,000, in the case of—

(*1*) A single individual other than a head of a household (as defined in section 1(b)(2)); or

(*2*) A married individual not entitled under section 6015(b) to file a joint declaration with his spouse; or

(*3*) A married individual entitled under section 6015(b) to file a joint dec-

laration with his spouse, but only if the aggregate gross income of such individual and his spouse for the taxable year can reasonably be expected to exceed $10,000; or

(b) $10,000, in the case of—

(1) A head of a household (as defined in section 1(b)(2)); or

(2) A surviving spouse (as defined in section 2(b)); or

(ii) The gross income can reasonably be expected to include more than $200 from sources other than wages (as defined in section 3401(a)).

PAR. 21. Section 1.1304 is amended by revising subsection (a)(1) to reflect the change made by section 803(d)(8) of the Tax Reform Act of 1969 and by revising the historical note. The amended provision and note read as follows:

§ 1.1304 Statutory provisions; special rules.

SEC. 1304. *Special rules.* * * *

(b) *Certain provisions inapplicable.*—If the taxpayer chooses the benefits of this part for the taxable year, the following provisions shall not apply to him for such year:

(1) Section 3 (relating to optional tax),

(2) Section 72(n)(2) (relating to limitation of tax in case of total distribution),

(3) Section 911 (relating to earned income from sources without the United States),

(4) Subpart D of part III of subchapter N (sec. 931 and following, relating to income from sources within possessions of the United States),

(5) Section 1201(b) (relating to alternative capital gains tax), and

(6) Section 1348 (relating to 50 percent maximum rate on earned income).

* * * * *

[Sec. 1304 as amended by sec. 232(a), Rev. Act 1964 (78 Stat. 105); sec. 803(d)(8) Tax Reform Act 1969 (83 Stat. 487, 684)]

PAR. 22. Paragraph (a)(1) of § 1.1304–2 is amended to read as follows:

§ 1.1304–2 Provisions inapplicable if income averaging is chosen.

(a) *Provisions inapplicable.* If a taxpayer chooses the benefits of income averaging for any taxable year, pursuant to section 1304(a) and § 1.1304–1, the following sections of the Code will not apply for such year:

(1) Section 3 (relating to optional tax). A taxpayer may not, therefore, make use of the tax table contained in section 3 for any taxable year for which he chooses the benefits of income averaging. For availability of standard deduction, see section 144(d) and the regulations thereunder.

* * * * *

[F.R. Doc. 71–5; Filed, Jan. 4, 1971; 8:45 a.m.]

Internal Revenue Service

[26 CFR Part 1]

INCOME TAX

Special Rules for Section 1250 Property

Notice is hereby given that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 167(j) of the Internal Revenue Code of 1954 (83 Stat. 649; 26 U.S.C. 167) and section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] RANDOLPH W. THROWER,
Commissioner of Internal Revenue.

In order to conform the Income Tax Regulations (26 CFR Part 1) to the provisions of section 521(a) of the Tax Reform Act of 1969 (83 Stat. 649), such regulations are amended as follows:

PARAGRAPH 1. The following new sections are added immediately after § 1.167(j) to read as follows:

§ 1.167(j)–1 Special rules for section 1250 property.

(a) *Depreciation of section 1250 property*—(1) *General.* In the case of section 1250 property, section 167(j) provides limitations on the methods of depreciation which will be considered to result in a reasonable allowance under section 167(a). Generally, in the case of section 1250 property the original use of which commences with the taxpayer after July 24, 1969, the 200 percent declining balance and sum of the years-digits methods of depreciation are available only with respect to residential rental property (sec. 167(j)(2)); other such property is limited to the straight line method, the 150 percent declining balance method, or any other consistent method described in subparagraph (C) of section 167(j)(1) (sec. 167(j)(1)). Under section 167(j)(3), if construction of section 1250 property has begun before July 25, 1969, or if there is a written contract binding on the taxpayer for construction or permanent financing on that date, the property is not subject to the limitations of section 167(j)(1). In the case of section 1250 property acquired after July 24, 1969, the original use of which does not commence with the taxpayer, section 167(j)(4) provides that the straight line method of depreciation generally is the only method which will be considered to result in a reasonable allowance under section 167(a); except that, under section 167(j)(5), if such property has a useful life of 20 years or more and qualifies as residential rental property, the 125 percent declining balance method may be used. Section 167(j)(6)(C) provides that if used section 1250 property is acquired after July 24, 1969, pursuant to a written contract for acquisition or for permanent financing which was, on July 24, 1969, and at all times thereafter, binding on the taxpayer, such property is not subject to the limitations of section 167(j)(4) and (5). Section 167(j)(6)(A) provides that rules similar to the rules contained in paragraphs (5), (9), (10), and (13), of section 48(h) shall be applied for purposes of paragraphs (3), (4), and (5) of section 167(j).

(2) *Meaning of terms.* For purposes of this section and §§ 1.167(j)–2 through 1.167(j)–7—

(i) The term "section 1250 property" means any real property (other than sec. 1245 property, as defined in sec. 1245(a)(3)) which is or has been property of a character subject to the allowance for depreciation provided in section 167; and

(ii) The term "original use" means the first use to which the property is put, whether or not such use corresponds to the use of the property by the taxpayer. (See § 1.167(c)–1(a).)

§ 1.167(j)–2 Depreciation of new section 1250 property.

(a) *Depreciation of new section 1250 property*—(1) *General rule.* Except as provided in §§ 1.167(j)–3 and 1.167(j)–4, section 167(b) shall not apply in the case of section 1250 property the original use of which commences with the taxpayer after July 24, 1969, and the methods of depreciation described in paragraph (b) of this section shall be deemed to produce a reasonable allowance for depreciation. Any other reasonable and consistently applied method of computing depreciation may be used unless such method is allowable solely by reason of paragraph (2), (3), or (4) of section 167(b). The reasonableness of any claim for depreciation shall be determined upon the basis of conditions known to exist at the end of the period for which the return is made. Generally, depreciation deductions so claimed will be changed only where there is a clear and convincing basis for the change. It is the responsibility of the taxpayer to establish the reasonableness of the deduction for depreciation claimed. Regardless of the method used in computing depreciation, deductions for depreciation shall not exceed such amounts as may be necessary to recover the unrecovered cost or other basis less salvage during the remaining useful life of the property.

(2) *Application of methods.* For principles governing the application of methods to item, group, classified, or composite accounts, see § 1.167(b)–0(c).

(b) *Depreciation methods*—(1) *Straight line method.* For principles governing the computation of depreciation under the straight line method, see § 1.167(b)–1.

(2) *Declining balance method.* (i) Under the declining balance method a uniform rate is applied each year to the unrecovered cost or other basis of the property. The unrecovered cost or other basis is the basis provided by section 167(g), adjusted for depreciation previously allowed or allowable, and for all other adjustments provided by section 1016 and other applicable provisions of law. The declining balance rate may be determined without resort to formula. Such rate determined under section 167(j)(1)(B) shall not exceed 150 percent of the appropriate straight line rate computed without adjustment for salvage. While salvage is not taken into account in determining the annual allowances under this method, in no event shall an asset (or an account) be depreciated below a reasonable salvage value.

(ii) In the declining balance method when a change is justified in the useful life estimated for an account, subsequent computations shall be made as though the revised life had been originally estimated. For example, assume that an account has an estimated useful life of 10 years and that the declining balance method using a 15 percent rate (150 percent of the straight line rate computed without adjustment for salvage (10 percent)) is adopted. If, at the end of the fourth year, it is determined that the remaining useful life of the account is 8 years, computations shall be made as though the estimated useful life was originally determined as 12 years. Accordingly, the applicable depreciation rate will be 12½ percent (150 percent×1/12). This rate is thereafter applied to the uncovered cost or other basis.

(3) *Other methods.* (i) Under section 167(j)(1)(C), a taxpayer may use any consistent method of computing depreciation, such as the sinking fund method, provided depreciation allowances computed in accordance with such method do not result in accumulated allowances at the end of any taxable year greater than the total of the accumulated allowances which would have resulted from the use of the declining balance method described in section 167(j)(1)(B). This limitation applies only during the first two-thirds of the useful life of the property. For example, an asset costing $320, having a useful life of 6 years, may be depreciated under the declining balance method in accordance with subparagraph (2) of this paragraph at a rate of 25 percent. During the first 4 years (two-thirds of the useful life), maximum depreciation allowances under this method would be as follows :

	Current depreciation	Accumulated depreciation	Balance
Cost of asset			$320.00
First year	$80.00	$80.00	240.00
Second year	60.00	140.00	180.00
Third year	45.00	185.00	135.00
Fourth year	33.75	218.75	101.25

An annual allowance computed by any other method under section 167(j)(1)(C) could not exceed $80 for the first year, and at the end of the second year the total allowances for the 2 years could not exceed $140. Likewise, the total allowances for the first 3 years could not exceed $185 and for the first 4 years could not exceed $218.75. This limitation would not apply in the fifth and sixth years.

(ii) It shall be the responsibility of the taxpayer to establish to the satisfaction of the Commissioner that a method of depreciation under section 167(j)(1)(C) is both a reasonable and consistent method and that it does not produce depreciation allowances in excess of the amount permitted under the limitations provided in such section.

§ 1.167(j)–3 Residential rental property.

(a) *In general.* Section 167(j)(1) shall not apply and section 167(b) shall apply (subject to the limitations of section 167(c)) in the case of residential rental property (as defined in section 167(j)(2)(B)) the original use of which commences with the taxpayer: *Provided,* That—

(1) Such property is located in the United States or any of its possessions, or

(2) Such property is located within a foreign country, and the laws of such country provide a method of depreciation for such property comparable to the declining balance or sum of the years-digits method of depreciation. If this subparagraph applies to property located within a foreign country, and if the allowance for depreciation provided under the laws of such country is greater than that provided under section 167(j)(1), but less than the maximum depreciation allowance computed under section 167(b), then the amount of depreciation computed under section 167(b) shall not exceed the amount of depreciation computed under the laws of such foreign country.

For purposes of this paragraph, a method of depreciation shall be considered comparable to the declining balance or sum of the years-digits method only if such method results in depreciation allowances during the first two-thirds of the useful life of the property (determined under § 1.167(a)–1(b)) which are greater than depreciation allowances computed under the declining balance method of depreciation using 150 percent of the straight line rate computed without adjustment for salvage.

(b) *Definition of residential rental property*—(1) *In general.* The term "residential rental property" means, for any taxable year, a building or structure used to provide living accommodations on a rental basis, provided that 80 percent or more of the gross rental income (as defined in subparagraph (2) of this paragraph) for such taxable year from such building or structure is rental income from dwelling units. Generally, a dwelling unit is a house or an apartment, used to provide living accommodations, but does not include any unit in a hotel, motel, inn, or other establishment more than one-half of the units in which are used on a transient basis (see § 1.167(k)–3(c)).

(2) *Gross rental income defined.* For purposes of this paragraph, the term "gross rental income" means, generally, the gross amounts received from the use of or the right to use real property. If an amount is received with respect to property consisting of both real and personal property, such as a furnished house or apartment, that portion of the rent attributable to the personal property does not constitute gross rental income. If an amount is received with respect to a facility outside a building, such as a parking lot, such amount does not constitute gross rental income from the building. The gross amount attributable to the furnishing of services which are usually or customarily attributable to the use of or right to use real property does constitute gross rental income from the building. However, the gross amount attributable to the performance of significant services for the occupant which are other than those usually or customarily rendered in connection with the mere rental of rooms or other space for occupancy does not constitute gross rental income from the building. Amounts attributable to the performance of maid service, for example, do not constitute gross rental income, whereas amounts attributable to the furnishing of heat and light, the cleaning of public entrances, exits, stairways, and lobbies, the collection of trash, etc., would generally constitute gross rental income. Where an amount is paid by the tenant directly to an independent contractor, such as an amount paid to a public utility for electricity or gas, such amount does not constitute gross rental income from the building.

(3) *Gross rental income from a dwelling unit.* Gross rental income from a building will be considered as being from a dwelling unit in such building only if it is attributable to the use of or right to use such unit as a living accommodation. If the right to use parking space is included in the regular rental payment for the dwelling unit, and is not separately charged for by a payment made only by those tenants using the parking space, the entire rental payment shall constitute gross rental income from a dwelling unit. However, if the parking space is separately charged for, such separate payment shall not constitute gross rental income from a dwelling unit. If a portion of the building is used for a drug store, grocery store, or commercial laundry, or other commercial operation, the rent paid for such portion is not rental income from a dwelling unit. Similarly, if, pursuant to the terms of a lease or other agreement, a portion of a house or apartment is used as office space, such as a doctor's office, the rent paid with respect to such portion constitutes gross rental income from the building but does not constitute rental income from a dwelling unit.

(4) *Special rules.* For purposes of computing the gross rental income from a building or structure, the rental at which a vacant unit is offered, and inter-

est reduction payments under section 221 (d)(3) or 236 of the National Housing Act, are not taken into account. If any portion of a building or structure is occupied by the taxpayer, the fair rental value of such portion shall be included in gross rental income in determining whether the building or structure qualifies as residential rental property. The fair rental value of any portion of a building or structure shall be determined upon the basis of all the facts and circumstances.

(5) *Certain records required.* The taxpayer shall maintain a record of the gross rental income derived from a building, and the portion thereof which constitutes gross rental income from dwelling units, in addition to the records required under § 1.167(a)-7(c) with respect to property in a depreciation account.

(6) *Examples.* The principles of this paragraph may be illustrated by the following examples:

Example (1). A constructs a six-story building, beginning after July 24, 1969. The building is placed in service in 1970. The first floor is rented to a commercial store and the remaining area, consisting of 25 dwelling units, is rented to tenants for living accommodations. The gross rental income from the store during 1970 is $15,000 and the gross rental income from the dwelling units is $60,000. Since 80 percent ($60,000/$75,000) of the gross rental income constitutes rental income from dwelling units, the building qualifies as residential rental property for 1970.

Example (2). The facts are the same as in example (1), except that A operates the commercial store himself and lives in one of the dwelling units. Assuming that the fair rental value for the commercial store and for the dwelling units are the amounts set forth in example (1), the building qualifies as residential rental property for 1970.

Example (3). The facts are the same as in example (1). In 1971, the gross rental income from the store is $18,000 and the gross rental income from the dwelling units is $64,000. Since only 78.05 percent ($64,000/$82,000) of the gross rental income constitutes rental income from dwelling units, the building does not qualify as residential rental property for 1971.

(c) *Change in depreciation method—*(1) *In general.* Any change in the computation of the allowance for depreciation with respect to any section 1250 property for any taxable year, permitted or required by reason of the qualification or disqualification of such property as residential rental property under paragraph (b) of this section, shall not be considered a change in a method of accounting. For purposes of this paragraph, a change in the computation of the allowance for depreciation is permitted in any taxable year without consent only if property qualifies as residential rental property for such year and did not qualify as residential rental property in the first taxable year in which the current method of depreciation with respect to such property was adopted. Further, for purposes of this paragraph, a change in the computation of the allowance for depreciation is required in any taxable year only if the property is subject to the limitations of section 167(j)(1) (or section 167(j)(4) in the case of used section 1250 property) for such year and the current method of depreciation with respect to the property is not permitted under section 167(j)(1) (section 167(j)(4) in the case of used section 1250 property). If a change in the computation of the allowance for the depreciation is not permitted or required under this paragraph, such change is considered a change in a method of accounting for which the taxpayer must secure the consent of the Secretary or his delegate. (See section 446(e).) However, see section 167(e) for special rules relating to certain changes in the method of computing depreciation which do not require such consent. The principles of this subparagraph may be illustrated by the following examples:

Example (1). In 1970, A constructs a building which qualifies as residential rental property and adopts the sum of the years-digits method of depreciation. In 1971, the building does not qualify as residential rental property. A is required to adopt a method of depreciation permitted under section 167(j)(1) for 1971 with respect to the building, such as the declining balance method using 150 percent of the straight line rate computed without adjustment for salvage. The change of depreciation method for 1971 is not considered a change in a method of accounting.

Example (2). The facts are the same as in example (1). In 1972, the building again qualifies as residential rental property. A may adopt any method of depreciation described in section 167(b) for 1972, subject to the limitations of section 167(c), and this change of depreciation method is not considered a change in a method of accounting.

Example (3). The facts are the same as in example (1), except that in 1970 the taxpayer adopts the 150 percent declining balance method of depreciation. Any change in the computation of the allowance for depreciation for any subsequent year would be considered a change in a method of accounting.

(2) *Computation of depreciation after change in method.* If a change in the computation of the allowance for depreciation is permitted or required under subparagraph (1) of this paragraph, the unrecovered cost or other basis (less a reasonable estimate for salvage if required under the new method of depreciation) shall be recovered through annual allowances over the estimated remaining useful life of the property. The rate of depreciation for property changed to the straight line or sum of the years-digits method of depreciation shall be based upon the estimated remaining useful life of the property at the time of the change. The rate of depreciation for property changed to any declining balance method shall be based upon the estimated useful life of such property as of the date such property was placed in service by the taxpayer. The taxpayer shall furnish a statement with respect to the property which is the subject of the change showing the date of acquisition, cost or other basis, amounts recovered through depreciation and other allowances, the estimated salvage value, the character of the property, the estimated useful life of the property, and such other information as may be required. The statement shall be attached to the taxpayer's return for the taxable year in which the change is made. If a change in the computation of the allowance for depreciation is made, the new method of depreciation must be adhered to for the entire taxable year of the change and for all subsequent taxable years unless in a subsequent year—

(i) The taxpayer is permitted or required to change to a different method of depreciation under subparagraph (1) of this paragraph, or

(ii) A change in depreciation method is made with the consent of the Commissioner (see sec. 446(e)).

(3) *Examples.* The principles of this paragraph may be illustrated by the following examples.

Example. (i) Beginning after July 24, 1969, B constructs a building which is placed in service on January 1, 1970. The building has a cost of $100,000, a 40-year useful life, and a $10,000 salvage value. In 1970, the building does not qualify as residential rental property and B adopts the declining balance method of depreciation using 150 percent of the straight line rate computed without adjustment for salvage. B may claim a depreciation deduction of $3,750 for 1970 (0.0375 × $100,000).

(ii) In 1971, the building qualifies as residential rental property and B adopts the sum of the years-digits method of depreciation. At that time, the property has a remaining estimated useful life of 39 years, a salvage value of $10,000, and an adjusted basis of $96,250. Table I of § 1.167(b)-3(a) shows that the decimal equivalent for a 39-year useful life under the sum of the years-digits method is 0.0500. Since the adjusted basis less salvage value is $86,250, B may claim a depreciation deduction of $4,312.50 (0.05 × $86,250) for 1971.

(iii) In 1972, the building does not qualify as residential rental property and B adopts the declining balance method of depreciation using 150 percent of the straight line rate computed without adjustment for salvage. The adjusted basis of the property is now $91,937.50 ($96,250 minus $4,312.50) and B may claim a depreciation deduction of $3,447.66 for 1972 (0.0375 × $91,937.50).

§ 1.167(j)-4 Property constructed, etc., before July 25, 1969.

(a) *Construction, reconstruction, or erection—*(1) *General rule.* Section 167(j)(3)(A) provides that section 167(j)(1) shall not apply and section 167(b) shall apply (subject to the limitations contained in section 167(c)) in the case of any section 1250 property the construction, reconstruction, or erection of which (whether or not by the taxpayer) was begun before July 25, 1969. Where construction, reconstruction, or erection was begun before July 25, 1969, the limitations of section 167(j)(1) do not apply to the completed building (including structural components necessary to the operation of the building, such as furnaces and central air conditioners), provided that the building is completed in accordance with building plans in existence on July 24, 1969. If there is a material modification in the building plans or specifications after July 24, 1969, any section 1250 property which was not an integral part of the construction plans or specifications on July 24, 1969, shall not qualify under this paragraph. (See, however, § 1.167(j)-7.) For example, if the taxpayer begins the construction of a 25-unit motel before July 25, 1969, but

changes his plans after July 24, 1969, and constructs a 40-unit motel, the section 1250 property which is a part of, or attributable to, the construction of the additional 15 units does not qualify under this paragraph. The principles of this subparagraph may be illustrated by the following example:

Example. C begins the construction of a building before July 25, 1969. Prior to completion, the building is sold to D. Upon completion, D may adopt any method of depreciation described in section 167(b), since the construction began before July 25, 1969, and the original use of the property commenced with D.

(2) *Commencement of construction.* For purposes of this section, the construction, reconstruction, or erection of section 1250 property begins when work of a significant nature commences on a building as distinguished from the beginning of, or engaging in, preliminary activities, and this determination shall be based upon all of the facts and circumstances of a particular case. Thus, preliminary work such as test drilling to determine soil conditions, the preparation of architect's sketches, and similar preliminary work does not constitute the beginning of construction, reconstruction, or erection of a building. On the other hand, the digging of the footings of a building or the driving of foundation piles would constitute the beginning of actual construction of a building.

(b) *Binding contract for construction*—(1) *General rule.* Section 167(j)(3)(B) provides that section 167(j)(1) shall not apply and section 167(b) shall apply (subject to the limitations contained in section 167(c)) in the case of any section 1250 property for which a written contract with respect to any part of the construction, reconstruction, or erection, or for a substantial portion of the permanent financing, was on July 25, 1969, and at all times thereafter, binding on the taxpayer. A contract for construction, reconstruction, or erection shall not be considered a binding contract under section 167(j)(3)(B) unless such contract meets the requirements of subparagraphs (2) through (7) of this paragraph. A contract with respect to permanent financing shall not be considered a binding contract for purposes of section 167(j)(3)(B), unless such contract meets the requirements of paragraph (c) of this section.

(2) *Type of contract.* (i) A contract for the construction, reconstruction, or erection of property will qualify under this paragraph only if—

(*a*) The construction, reconstruction, or erection of such property is the subject matter of the contract,

(*b*) The contract provides that the property is to be constructed, reconstructed, or erected by or for the taxpayer, and either

(*c*) The parties to the contract are the taxpayer and the person who is to construct, reconstruct, or erect property for the taxpayer, or

(*d*) The parties to the contract are the taxpayer who is the builder and owner of the property, and the person for whom such construction, reconstruction, or erection is to be performed.

(ii) Section 167(j)(3)(B) does not apply if a person who is a party to a binding contract under this paragraph transfers rights in such contract (or in the property to which such contract relates) after July 25, 1969, to another person, even though the first person retains a right to use the property under a lease with such other person. For example, if, after July 25, 1969, A begins the construction of a building for B under a contract entered into before July 25, 1969, and B then sells his rights under the contract to C, this paragraph does not apply to the property in C's hands, even though this paragraph would have applied to the property in B's hands. See § 1.167(j)–7(a)(3) for certain cases where a transfer of property which is subject to a binding contract will be disregarded.

(3) *Legal formality.* An agreement between the taxpayer and a builder, or between the taxpayer acting as a builder and the person for whom the property is to be constructed, shall be considered as a contract binding on the taxpayer, for purposes of this paragraph, only if such agreement (i) is in writing, (ii) constitutes a contract under applicable State or local law, and (iii) is enforceable against the taxpayer under such law. A contract which does not represent a bona fide agreement negotiated at arm's length shall not be considered a binding contract under this paragraph.

(4) *Liability for and amount of damages.* A contract will not be considered to be binding upon the taxpayer for purposes of this paragraph unless (i) the taxpayer's failure to perform would subject him to liability for damages or to a forfeiture of a down payment or a deposit, and (ii) the amount of such liability for damages is not limited by the terms of the contract or, if contractually limited, the liability or forfeiture is more than nominal. Thus, if the deposit, liquidated damages, or down payment, is a significant portion of the reasonably estimated cost of construction of the property, the contract may qualify under this paragraph.

(5) *Continuing existence of contract and its terms.* A contract shall qualify as a binding contract for purposes of this paragraph only if such contract is (i) binding upon the taxpayer on July 25, 1969, and at all times thereafter until performance under the contract is completed, and (ii) performance is substantially in accordance with the terms of the contract as such terms existed on July 24, 1969. A contract whose terms are substantially modified after July 24, 1969, will not be considered a binding contract for purposes of this paragraph with respect to any property which was not an integral part of the construction plans or specifications contained in, or incorporated by reference in, the contract on July 24, 1969. (See, however, § 1.167(j)–7.) Whether a modification of a contract will be considered substantial or minor will depend upon all the facts and circumstances. A modification of a contract in which the lessee of property becomes the purchaser, or the purchaser of property becomes the lessee, would not be considered a substantial modification in the absence of any other factors. On the other hand, if a contract which provides for the construction of a 3-story office building is modified to provide for the construction of an eight-story office building, such modification would be a substantial modification and therefore, the contract would be considered binding only with respect to the property subject to the contract before the modification.

(6) *Contract with undetermined terms or conditions.* A contract may be considered to be binding upon the taxpayer under this paragraph even if some of its terms are to be determined at a date later than July 25, 1969: *Provided*, That the determination of such terms is not within the unrestricted control of the taxpayer, and such terms are in fact subsequently determined. Similarly, a contract may be considered binding upon the taxpayer under this paragraph even if it is subject to the happening of certain contingencies which have not occurred by July 25, 1969, provided that the happening of such contingencies is not within the unrestricted control of the taxpayer, and the contingencies in fact occur.

(7) *Extent of taxpayer's obligations.* A contract with respect to the construction, reconstruction, or erection of property will meet the requirements of this paragraph only if performance of the contract would be considered the commencement of construction under paragraph (a)(2) of this section and construction plans are in existence on July 24, 1969. Thus, for example, a contract for the preparation of architect's sketches, or for test drilling to determine soil conditions, would not be considered a binding contract for construction. On the other hand, if performance of a contract would be considered the commencement of construction under paragraph (a)(2) of this section and if construction plans are in existence on July 24, 1969, the completed building (including structural components necessary for the operation of the building, such as a furnace and central air conditioning unit) may qualify under section 167(j)(3)(B). Thus, for example, if a taxpayer enters into a contract for the construction of a building shell on July 1, 1969, and construction plans with respect to the completed building are in existence on July 24, 1969, the completed building, including plumbing and heating not subject to such contract, may qualify under section 167(j)(3)(B). On the other hand, if the taxpayer has entered into a contract for the excavation of the footings of a building, but completed construction plans are not in existence on July 24, 1969, only the property subject to the contract will qualify under section 167(j)(3)(B). (See, however, § 1.167(j)–7.)

(c) *Contract for permanent financing*—(1) *General rule.* Section 167(j)(3)(B) provides that section 167(j)(1) shall not apply and section 167(b) shall apply (subject to the limitations of section 167(c)) in the case of any section 1250 property for which a written contract

with respect to a substantial portion of the permanent financing of such property was binding on the taxpayer on July 25, 1969, and at all times thereafter. A contract for permanent financing will qualify under section 167(j)(3)(B) only if such contract meets the requirements of subparagraphs (2) through (7) of this paragraph.

(2) *Nature of permanent financing contract.* A contract will qualify under this paragraph only if (i) the contract specifically describes the property to be constructed, reconstructed, or erected, (ii) the parties to the contract are the taxpayer and an independent lender, (iii) the term of the loan extends at least 3 years beyond the scheduled completion of the project, and (iv) the financing agreement provides funds covering a substantial portion of the permanent financing of the property to be constructed, reconstructed, or erected. Generally, the financing agreement will be considered to cover a substantial portion of the permanent financing of the property if the terms of the agreement provide for the lending of an amount in excess of 40 percent of the reasonably estimated cost of construction, reconstruction, or erection of the property, which is to be financed by borrowing. For purposes of this subparagraph, an independent lender need not necessarily be a bank, building and loan association, or other financing institution, provided that the agreement represents a bona fide commitment of funds on behalf of a financially responsible person or organization, negotiated at arm's length.

(3) *Legal formality.* In order for a financing agreement to qualify as permanent financing under this paragraph, such agreement (i) must be in writing, (ii) must constitute a contract under applicable State or local law, and (iii) must be enforceable against the taxpayer under such law.

(4) *Continuing existence of contract and its terms.* In order for a financing agreement to qualify under this paragraph, the terms of such agreement must not be materially modified after July 24, 1969. Among the modifications which will ordinarily be considered material are a change in the interest rate of the loan, a change in the term of the loan, or an alteration in the amount of the loan, unless such modifications are pursuant to a contract provision in effect on July 24, 1969, such as a provision for a variable rate of interest. Generally, if there is a material modification in a financing agreement, the agreement will not qualify under this paragraph. However, if circumstances exist which show that the modification does not reduce the taxpayer's obligation under the financing agreement, for example, an increase in the amount of the loan, then such agreement will be considered as binding to the extent of the terms prior to the modification.

(5) *Extent of taxpayer's obligations.* If an agreement qualifies as permanent financing under this paragraph, the completed building or buildings which constitute the underlying subject matter of the financing agreement will qualify under section 167(j)(3)(B): *Provided,* That the agreement identifies and describes the property to be constructed, reconstructed, or erected, and there is no material change in the construction plans or specifications after July 25, 1969. Thus, if an agreement represents, in effect, a general line of credit, the agreement will not be considered a contract for permanent financing under this paragraph, since the property to be constructed is not identified. Further, if there is a change in construction plans or specifications after July 24, 1969, only the property which was an integral part of construction plans or specifications on July 24, 1969, shall qualify under this paragraph.

(6) *Contracts with undetermined terms or conditions.* A financing agreement may qualify under this paragraph even though some of its terms are to be determined after July 24, 1969: *Provided,* That the determination is not within the unrestricted control of the taxpayer, and such terms are in fact determined. Similarly, a financing agreement may be considered binding upon the taxpayer even if it is subject to the happening of certain contingencies which have not occurred by July 25, 1969: *Provided,* That the happening of the contingencies is not within the unrestricted control of the taxpayer, and the contingencies in fact occur. For example, a permanent financing agreement which provides for a variable rate of interest may qualify under this paragraph.

(7) *Liability for damages.* A financing agreement will not qualify under this paragraph unless (i) the taxpayer's failure to perform would subject him to liability for damages or to a forfeiture of a down payment, commitment fee, or deposit, and (ii) the amount of such liability or forfeiture is more than nominal. In determining whether a deposit, commitment fee, or down payment is nominal, the size of the deposit, commitment fee, or down payment relative to the amount of funds to be provided is one of the circumstances to be taken into account. Thus, if a commitment fee is paid to a lender at the time a permanent financing arrangement is entered into, the fee is forfeitable if the taxpayer fails to consummate the loan, and the size of the commitment fee is more than nominal, the agreement may qualify as permanent financing under this paragraph even though the taxpayer is not legally obligated to consummate the loan.

§ 1.167(j)–5 Depreciation of used section 1250 property.

(a) *General rule.* Except as provided in § 1.167(j)–6, in the case of section 1250 property acquired after July 24, 1969, the original use of which does not commence with the taxpayer, the reasonable allowance for depreciation provided by section 167(a) shall not exceed an amount computed under (1) the straight line method of depreciation, or (2) any other reasonable and consistently applied method of computing depreciation other than (i) any declining balance method, (ii) the sum of the years-digit method, or (iii) any other method allowable solely by reason of section 167(b)(4) or 167(j)(1)(C). Generally, a method of depreciation will be considered reasonable under this section if depreciation allowances computed in accordance with such method do not, during the first two-thirds of the useful life of the property, result in accumulated allowances at the end of any taxable year greater than the total of the accumulated allowances which would have resulted under the straight line method of depreciation. For purposes of this section property shall be deemed to be acquired on the date the taxpayer first bears the burden and enjoys the benefits of ownership. For special rules with respect to used property acquired after July 24, 1969, pursuant to a binding written contract in effect on such date, see section 167(j)(6)(C) and § 1.167(j)–7(c).

§ 1.167(j)–6 Depreciation of used residential rental property.

(a) *Special rule.* In the case of section 1250 property which is residential rental property (as defined in section 167(j)(2)(B)) for the taxable year, acquired after July 24, 1969, which has an estimated useful life of 20 years or more in the hands of the taxpayer at the time of such acquisition, and the original use of which does not commence with the taxpayer, the reasonable allowance provided by section 167(a) shall not exceed an amount computed under one of the following methods of depreciation: (1) The straight line method; (2) the declining balance method using a rate not exceeding 125 percent of the appropriate straight line rate computed without adjustment for salvage; or (3) any other reasonable and consistently applied method of computing depreciation, not including (i) the sum of the years-digits method, (ii) any declining balance method using a rate greater than 125 percent of the straight line rate computed without adjustment for salvage, or (iii) any other method allowable solely by reason of section 167(b)(4) or 167(j)(1)(C). For purposes of determining whether property qualifies as residential rental property for a taxable year under section 167(j)(2)(B), only the gross rental income attributable to that portion of the year in which the taxpayer is entitled to compute depreciation with respect to the property shall be taken into account. (For period when depreciation is allowable, see § 1.167(a)–10.) Thus, if a calendar year taxpayer acquires a building on June 15, 1970, which had been placed in service on January 1, 1970, only the rent attributable to the period from June 15, 1970, to December 31, 1970, shall be taken into account for 1970 for purposes of section 167(j)(2)(B). A change in the computation of the allowance for depreciation with respect to used section 1250 property may be permitted or required by reason of the qualification or disqualification of such property as residential rental property under section 167(j)(2)(B). (See § 1.167(j)–3(c).)

Generally, a method of depreciation will be considered reasonable under this section if depreciation allowances computed in accordance with such method do not, during the first two-thirds of the useful life of the property, result in accumulated allowances at the end of any taxable year greater than the total of the accumulated allowances which would have resulted under the declining balance method of depreciation, using a rate not exceeding 125 percent of the appropriate straight line rate computed without adjustment for salvage. For purposes of this section, property shall be deemed to be acquired on the date the taxpayer first bears the burdens and enjoys the benefits of ownership. For special rules with respect to used residential rental property acquired after July 24, 1969, pursuant to a binding written contract in effect on such date, see section 167(j)(6)(C) and § 1.167(j)–7(c).

§ 1.167(j)–7 Special operating rules.

(a) *Special exceptions for section 1250 property*—(1) *In general.* Under section 167(j)(6)(A), certain special rules similar to the rules contained in paragraphs (5), (9), (10), and (13) of section 48(h) are, under regulations prescribed by the Secretary or his delegate, to be applied for purposes of paragraphs (3), (4), and (5) of section 167(j). The operation of the special rules contained in section 167(j)(6)(A) is described in subparagraphs (2) through (5) of this paragraph.

(2) *Completed building rule.* If section 167(j)(3) applies to section 1250 property (generally where such property is subject to a binding written contract, or where construction, reconstruction, or erection of property has begun) section 167(j)(1) does not apply and the methods of depreciation described in section 167(b) (subject to the limitations contained in section 167(c)) are deemed to produce a reasonable allowance for depreciation. Under the completed building rule of this subparagraph, certain section 1250 property may qualify under section 167(j)(3) which, but for this subparagraph, would not qualify under such section because of the lack of construction plans or specifications on July 24, 1969. Under the completed building rule of this subparagraph, if construction plans or specifications are not complete on July 24, 1969, but there is a contract which meets the requirements of § 1.167(j)–4(b) or a permanent financing agreement which meets the requirements of § 1.167(j)–4(c), and more than 50 percent of the cost of the completed building is subject to such contract, then the completed building will qualify under section 167(j)(3)(B). Likewise, if construction, reconstruction, or erection of property has begun before July 25, 1969, and more than 50 percent of the cost of the completed building is subject to construction plans in existence on July 24, 1969, but construction plans are not complete with respect to the remainder of the building on such date, all the section 1250 property in the completed building will qualify under section 167(j)(3)(A).

(3) *Transfers to be disregarded*—(i) *Transfers by death or certain transactions.* If section 1250 property or rights under a contract (which meets the requirements of paragraphs (b) and (c) of § 1.167(j)–4) are transferred in a transfer by reason of death or a transaction described in subdivision (ii) of this subparagraph, and such property (or the property acquired under such contract) would have qualified under section 167(j)(3), or 167(j)(6)(C) in the hands of the decedent or the transferor, such property shall qualify under such sections in the hands of the transferee. For purposes of determining whether property would have qualified in the hands of the decedent or transferor, the principles contained in section 167(j)(3), 167(j)(6)(C), and this section apply. The term "transfer by reason of death" means, for purposes of this subparagraph, a transfer of property which, in the hands of the transferee, has a basis determined under the provisions of section 1014(a) (relating to basis of property acquired from a decedent) because of the death of the transferor.

(ii) *Transactions covered.* The transactions referred to in subdivision (i) of this subparagraph are transactions as a result of which the basis of property in the hands of the transferee is determined by reference to its basis in the hands of the transferor by reason of the application of any of the following provisions:

(*a*) Section 332 (relating to distributions in liquidation of an 80 percent or more controlled subsidiary corporation);

(*b*) Section 351 (relating to transfers to a corporation controlled by the transferor);

(*c*) Section 361 (relating to exchanges pursuant to certain corporate reorganizations);

(*d*) Section 371(a) (relating to exchanges pursuant to certain receivership and bankruptcy proceedings);

(*e*) Section 374(a) (relating to exchanges pursuant to certain railroad reorganizations);

(*f*) Section 721 (relating to transfers to a partnership in exchange for a partnership interest);

(*g*) Section 731 (relating to distributions by a partnership to a partner).

(iii) *Transactions to which section 334(b)(2) applies.* If property or rights under a contract are acquired in a transaction to which section 334(b)(2) (relating to certain liquidations of a subsidiary) applies, and such property (or the property acquired under such contract) would have qualified under section 167(j)(3) or 167(j)(6)(C) in the hands of the transferor corporation, then such property shall also qualify in the hands of the transferee corporation. This subparagraph shall apply only if 80 percent or more of the stock of the corporation making the distribution under section 334(b)(2) was acquired by the distributee before July 25, 1969, or pursuant to a written contract which was binding on the distributee on July 25, 1969.

(4) *Section 1250 property acquired from affiliated corporation.* If section 1250 property or rights under a contract are acquired after July 24, 1969, by a corporation which is a member of an affiliated group from another member of the same affiliated group, the acquiring corporation shall be treated as having (i) acquired the property on the date it was acquired by the other member, (ii) entered into a binding written contract for the construction, reconstruction, erection, acquisition, or permanent financing of the property on the date on which the other member entered into such a binding contract, and (iii) commenced construction, reconstruction, or erection of the property on the date on which the other member commenced such construction, reconstruction, or erection. Thus, in general, the determination of whether section 1250 property qualifies under section 167(j)(3) or 167(j)(6)(C) in the hands of the acquiring corporation depends upon whether the property would have qualified under such sections in the hands of the transferor corporation. For purposes of this subparagraph, the term "affiliated group" shall have the same meaning as in section 1504(a), except that all corporations are to be treated as includible corporations (without any exclusion under section 1504(b)). The provisions of this subparagraph shall apply whether or not the affiliated group elects to file a consolidated return.

(5) *Certain replacement property.* Under this subparagraph, section 1250 property may qualify under section 167(j)(3) or 167(j)(6)(C) if such property is placed in service to replace property which was destroyed or damaged by fire, storm, shipwreck, or other casualty, or stolen. This rule shall apply only to the extent that the cost or other basis of the replacement section 1250 property does not exceed the adjusted basis of the property which was destroyed, damaged, or stolen. The property which is replaced must have been section 1250 property in the hands of the taxpayer, and the replacement property must be similar or related in service or use to the replaced property.

(b) *Property considered as used property*—(1) *General rule.* If section 1250 property which is not property described in section 167(a) when its original use commences becomes property described in section 167(a) after July 24, 1969, such property shall not be considered property the original use of which commences with the taxpayer for purposes of section 167(j)(1) and (2) and shall be subject to the provisions of section 167(j)(4) or (5).

(2) *Example.* Subparagraph (1) of this paragraph may be illustrated by the following example:

Example. A buys a new house in January of 1969, occupies the house as a personal residence until November of 1969, and then rents the house. The property is considered as property the original use of which does not commence with the taxpayer.

(c) *Binding contract with respect to used property.* Under section 167(j)(6)(C), sections 167(j)(4) and 167(j)(5) shall not apply in the case of section 1250 property acquired after July 24, 1969, pursuant to a written contract for

the acquisition of such property, or for a substantial portion of the permanent financing thereof, which was on July 24, 1969, and at all times thereafter binding on the taxpayer. Thus, if this paragraph applies, property may be depreciated under a method of depreciation described in § 1.167(b)–0(b), such as the declining balance method using a rate not exceeding 150 percent of the appropriate straight line rate. For purposes of this paragraph, a contract for the acquisition of property or for a substantial portion of the permanent financing of property shall not be considered binding on the taxpayer unless such contract meets the requirements of paragraph (b) or (c) of § 1.167(j)–4, whichever is applicable. For purposes of this paragraph, property shall be deemed to be acquired on the date the taxpayer first bears the burdens and enjoys the benefits of ownership.

PAR. 2. Section 1.167(e)–1 is amended by revising paragraphs (a) and (b) thereof, and by adding a new paragraph (d), to read as follows:

§ 1.167(e)–1 Change in method.

(a) *In general.* Any change in the method of computing the depreciation allowances with respect to a particular account (other than a change in method permitted or required by reason of the operation of section 167(j)(2) and § 1.167(j)–3(c)) is a change in method of accounting, and such a change will be permitted only with the consent of the Commissioner, except that certain changes to the straight line method of depreciation will be permitted without consent as provided in section 167(e)(1), (2), and (3). Except as provided in paragraphs (c) and (d) of this section, a change in method of computing depreciation will be permitted only with respect to all the assets contained in a particular account as defined in § 1.167(a)–7. Any change in the percentage of the current straight line rate under the declining balance method, as for example, from 200 percent of the straight line rate to any other percent of the straight line rate, or any change in the interest factor used in connection with a compound interest or sinking fund method, will constitute a change in method of depreciation. Any request for a change in method of depreciation shall be made in accordance with section 446 and the regulations thereunder and shall state the character and location of the property, method of depreciation being used and the method proposed, the date of acquisition, the cost or other basis and adjustments thereto, amount recovered through depreciation and other allowances, the estimated salvage value, the estimated remaining life of the property, and such other information as may be required. For rules covering the use of depreciation methods by acquiring corporations in the case of certain corporate acquisitions, see section 381(c)(6) and the regulations thereunder.

(b) *Declining balance to straight line.* In the case of an account to which the method described in section 167(b)(2) is applicable, a taxpayer may change without the consent of the Commissioner from the declining balance method of depreciation to the straight line method at any time during the useful life of the property under the following conditions. Such a change may not be made if a provision prohibiting such a change is contained in an agreement under section 167(d). When the change is made, the unrecovered cost or other basis (less a reasonable estimate for salvage) shall be recovered through annual allowances over the estimated remaining useful life determined in accordance with the circumstances existing at the time. With respect to any account, this change will be permitted only if applied to all the assets in the account as defined in § 1.167(a)–7. If the method of depreciation described in section 167(b)(2) (the declining balance method of depreciation using a rate not exceeding 200 percent of the straight line rate) is an acceptable method of depreciation with respect to a particular account, the taxpayer may elect under this paragraph to change to the straight line method of depreciation even if with respect to that particular account the declining balance method is permitted under a provision other than section 167(b)(2). Thus, for example, in the case of section 1250 property to which section 167(j)(1) is applicable, section 167(b) does not apply, but the declining balance method of depreciation using 150 percent of the straight line rate is an acceptable method of depreciation under section 167(j)(1)(B). Accordingly, the taxpayer may elect under this paragraph to change to the straight line method of depreciation with respect to such property. Similarly, if the taxpayer acquired used property before July 25, 1969, and adopted the 150 percent declining balance method of depreciation permitted with respect to such property under § 1.167(b)–0(b), the taxpayer may elect under this paragraph to change to the straight line method of depreciation with respect to such property. The taxpayer shall furnish a statement with respect to the property which is the subject of the change showing the date of acquisition, cost or other basis, amounts recovered through depreciation and other allowances, the estimated salvage value, the character of the property, the remaining useful life of the property, and such other information as may be required. The statement shall be attached to the taxpayer's return for the taxable year in which the change is made. A change to the straight line method must be adhered to for the entire taxable year of the change and for all subsequent taxable years unless, with the consent of the Commissioner, a change to another method is permitted.

* * * * *

(d) *Change with respect to section 1250 property.* (1) In respect of his first taxable year beginning after July 24, 1969, a taxpayer may elect, without the consent of the Commissioner, to change the method of depreciation of section 1250 property (as defined in section 1250(c)) from any declining balance method or sum of the years-digits method to the straight line method. With respect to any account (as defined in § 1.167(a)–7) this change may be made notwithstanding any provision to the contrary in an agreement under section 167(d), but such change will constitute (as of the first day of such taxable year) a termination of such agreement as to all property in such account. With respect to any account, this change will be permitted only if applied to all the section 1250 property in the account. The election shall be made by a statement on, or attached to, the return for such taxable year filed on or before the last day prescribed by law, including extensions thereof, for filing such return.

(2) When an election under this paragraph is made in respect of section 1250 property in an account, the unrecovered cost or other basis (less a reasonable estimate for salvage) of all the section 1250 property in the account shall be recovered through annual allowances over the estimated remaining useful life determined in accordance with the circumstances existing at that time. If there is other property in such account, the other property shall be placed in a separate account and depreciated by using the same method as was used before the change permitted by this paragraph, but the estimated useful life of such property shall be redetermined in accordance with § 1.167(b)–2 or § 1.167(b)–3, whichever is applicable. The taxpayer shall maintain records which permit specific identification of the section 1250 property in the account with respect to which the election is made and any other property in such account. The records shall also show for all the property in the account the date of the acquisition, cost or other basis, amounts recovered through depreciation and other allowances, the estimated salvage value, the character of the property, and the estimated remaining useful life of the property. A change to the straight line method under this paragraph must be adhered to for the entire taxable year of the change and for all subsequent taxable years unless, with the consent of the Commissioner, a change to another method is permitted.

PAR. 3. Section 1.381(c)(6)–1 is amended by revising paragraphs (a) and (b) to read as follows:

§ 1.381(c)(6)–1 Depreciation method.

(a) *Carryover requirement*—(1) *Distributions in taxable years ending before July 25, 1969.* (i) Section 381(c)(6) provides that if, in a transaction in a taxable year which ends before July 25, 1969, to which section 381(a) applies, an acquiring corporation acquires depreciable property from a distributor or transferor corporation which computes its allowance for the depreciation of the property under section 167(b)(2), (3), or (4), the acquiring corporation shall compute its depreciation allowance by the same method used by the distributor or transferor corporation with respect to such property. Thus, if the distributor or transferor corporation used the sum of the years-digits method under section 167(b)(3) with respect to an asset

distributed or transferred to an acquiring corporation, the acquiring corporation will be required to use the sum of the years-digits method with respect to such asset acquired. The computation of the depreciation allowance with respect to the property acquired shall be made under the provisions of section 167 and the regulations thereunder.

(ii) The rules provided in section 381 (c)(6) and subdivision (i) of this subparagraph will apply only with respect to that part or all of the basis of the property in the hands of the acquiring corporation immediately after the date of distribution or transfer as does not exceed the basis of the property in the hands of the distributor or transferor corporation on the date of the distribution or transfer. For this purpose, the basis of the property in the hands of the distributor or transferor corporation shall be the adjusted basis provided in section 1011 for the purpose of determining gain on the sale or other disposition of such property. For provisions defining the date of distribution or transfer see § 1.381–1(b).

(2) *Distributions in taxable years ending after July 24, 1969.* (i) Section 381(c)(6) provides that if, in a transaction in a taxable year ending after July 24, 1969, to which section 381(a) applies, an acquiring corporation acquires depreciable property from a distributor or transferor corporation which computes its allowances for the depreciation of the property under subsection (b), (j) or (k) of section 167, the acquiring corporation shall compute its depreciation allowance by the same method used by the distributor or transferor corporation with respect to such property. Thus, if the distributor or transferor corporation used the straight line method under section 167(b)(1) with respect to an asset distributed or transferred to an acquiring corporation, the acquiring corporation will be required to use the straight line method with respect to such asset. Similarly, if the distributor or transferor corporation elected to compute depreciation under section 167(k) with respect to property attributable to rehabilitation expenditures, and such property is transferred to an acquiring corporation, the acquiring corporation will be required to compute depreciation under section 167 (k) with respect to the property acquired. The computation of the depreciation allowance with respect to the property acquired shall be made under the provisions of section 167 and the regulations thereunder.

(ii) The rules provided in section 381 (c)(6) and subdivision (i) of this subparagraph shall apply only with respect to that part or all of the basis of the property in the hands of the acquiring corporation immediately after the date of distribution or transfer as does not exceed the basis of the property in the hands of the distributor or transferor corporation on the date of the distribution or transfer. For this purpose, the basis of the property in the hands of the distributor or transferor corporation shall be the adjusted basis provided in section 1011 for the purpose of determining gain on the sale or other disposition of such property. For provisions defining the date of distribution or transfer see § 1.381–1(b).

(b) *Portion in excess of distributor or transferor corporation's basis*—(1) *General rule.* With respect to that part of the basis of the depreciable property (other than certain section 1250 property described in subparagraph (2) of this paragraph) which in the hands of the acquiring corporation exceeds the adjusted basis to the distributor or transferor corporation, the acquiring corporation may use any reasonable method of computing depreciation, other than the methods provided in section 167(b) (2), (3), or (4). See paragraph (b) of § 1.167 (b)–0 for methods which are acceptable under section 167(a) with respect to such property. See also sections 334(b)(1) and 362(b) for the determination of basis of property in the hands of the acquiring corporation in connection with a transaction to which section 381(a) applies.

(2) *Section 1250 property.* With respect to that part of the basis of section 1250 property acquired after July 24, 1969, which in the hands of the acquiring corporation exceeds the adjusted basis to the distributor or transferor corporation, the acquiring corporation shall be subject to the limitations contained in section 167(j)(4) (relating to used section 1250 property) or 167(j)(5) (relating to used residential rental property). Thus, for example, if section 1250 property which is not residential rental property is acquired in a section 381(a) transaction after July 24, 1969, the straight line method of depreciation (or other method allowable under section 167(j)(4)(B)) is the only acceptable method with respect to that portion of the basis of the property which, in the hands of the acquiring corporation, exceeds the adjusted basis to the transferor or distributor corporation.

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[F.R. Doc. 71–3; Filed, Jan. 4, 1971; 8:45 a.m.]

[26 CFR Part 1]

INCOME TAX

Annual Reports of Private Foundations

On Tuesday, October 13, 1970, notice of proposed rule making relating to returns and annual reports of exempt organizations was published in the FEDERAL REGISTER (35 F.R. 16049). Notice is hereby given that § 1.6056–1 of the regulations which was published in tentative form in paragraph 5 of the appendix to the notice of proposed rule making is withdrawn. In addition notice is hereby given that the regulations set forth in tentative form in the attached appendix are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, and are received before January 15, 1971. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] RANDOLPH W. THROWER,
Commissioner of Internal Revenue.

In order to provide Income Tax Regulations (26 CFR Part 1) under section 6056 of the Internal Revenue Code of 1954, as added by section 101(d)(3) of the Tax Reform Act of 1969 (83 Stat. 521), the following regulation is added:

There is added where appropriate in Part 1 of the regulations the following new section:

§ 1.6056–1 Annual reports by private foundations.

(a) *In general.* (1) The foundation managers (as defined in section 4946 (b)) of every private foundation (as defined in section 509(a)) the assets of which are at least $5,000 at any time during a taxable year shall file an annual report setting forth the information described in subparagraph (3) or (4) of this paragraph.

(2) Form of annual report, time, and place of filing: The annual report required by this paragraph may be in printed, typewritten, or other form, provided that it readily and legibly discloses the information required by section 6056 and this section. Form 990–AR, Annual Report of Private Foundation, may be used for this purpose. The annual report shall be filed at the place specified in the instructions applicable to Form 990 on or before the 15th day of the 5th calendar month following the close of the period for which the report is filed.

(3) Foundations not using Form 990–AR: Foundation managers not choosing to use Form 990–AR as the annual report required by this paragraph shall file a report in accordance with subparagraphs (1) and (2) of this paragraph, setting forth the information required by section 6056(b) and in accordance with the instructions applicable to Form 990–AR.

(4) Notice to public of availability of annual report: A copy of the notice required by section 6104(d) (relating to public inspection of private foundations' annual reports), and proof of publication thereof, shall be filed with the annual report required by this paragraph. A copy of such notice as published, and a statement signed by a foundation manager stating that such notice was published, setting forth the date of publication and the publication in which it appeared, shall be sufficient proof of publication for purposes of this subparagraph.

(b) *Special rules*—(1) *Manner of making annual report available for public inspection.* The foundation managers of a private foundation may satisfy the requirement that the annual report be made available for public inspection at the foundation's principal office by furnishing a copy free of charge to persons who request inspection.

(2) *Furnishing copies to libraries and depositories.* The Commissioner may designate appropriate libraries or depositories to which the foundation managers will be required to send copies of their annual reports, in addition to, and not in lieu of, filing such annual reports with the Internal Revenue Service and making such annual reports available for public inspection at the principal office of the foundation.

(3) *Furnishing of copies to State officers.* The foundation managers shall furnish to the attorney general of each State which has jurisdiction over the foundation or its assets or activities, a copy of the annual report required by this section. Such report shall be so furnished on or before the due date for the filing of such report with the Internal Revenue Service. In addition, the foundation managers shall provide upon request a copy of the annual report to the attorney general or other appropriate State officer of any State. For purposes of this paragraph and § 301.6104-3 of this chapter, the States which have jurisdiction over a private foundation include but are not limited to all those to which the foundation is required by provisions of State law to report in any manner on its activities or assets, and all those with which the foundation is required by State law to register in any manner.

[F.R. Doc. 71-98; Filed, Jan. 4, 1970; 8:51 a.m.]

[26 CFR Part 42]

FOUNDATION EXCISE TAXES

Operating Foundation

Notice is hereby given that the regulations set forth in tentative form in the attached appendix are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] RANDOLPH W. THROWER,
Commissioner of Internal Revenue.

The following regulations are prescribed under section 4942(j)(3) of the Internal Revenue Code of 1954, as enacted by section 101(b) of the Tax Reform Act of 1969, relating to the definition of operating foundation. Except as otherwise provided in § 53.4942(b)-1 through -6, such sections take effect for taxable years commencing after December 31, 1969.

PRIVATE FOUNDATIONS

§ 53.4942(b) Statutory provisions; operating foundations.

SEC. 4942. *Taxes on failure to distribute income.*

* * * * *

(j) *Other definitions.*

* * * * *

(3) *Operating foundation.* For purposes of this section, the term "operating foundation" means any organization—

(A) Which makes qualifying distributions (within the meaning of paragraph (1) or (2) of subsection (g)) directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated equal to substantially all of its adjusted net income (as defined in subsection (f)); and

(B) (i) Substantially more than half of the assets of which are devoted directly to such activities or to functionally related businesses (as defined in paragraph (5)), or to both, or are stock of a corporation which is controlled by the foundation and substantially all of the assets of which are so devoted,

(ii) Which normally makes qualifying distributions (within the meaning of paragraph (1) or (2) of subsection (g)) directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated in an amount not less than two-third of its minimum investment return (as defined in subsection (e)), or

(iii) Substantially all of the support (other than gross investment income as defined in section 509(e)) of which is normally received from the general public and from five or more exempt organizations which are not described in section 4946(a)(1)(H) with respect to each other or the recipient foundation; not more than 25 percent of the support (other than gross investment income) of which is normally received from any one such exempt organization; and not more than half of the support of which is normally received from gross investment income.

[Sec. 4942(j) as added by sec. 101(b), Tax Reform Act 1969 (83 Stat. 489)]

§ 53.4942(b)-1 Operating foundation—in general.

(a) *Definition of operating foundation.* Section 4942(j)(3) defines the term "operating foundation" to mean any private foundation substantially all of the adjusted net income of which is spent directly for the active conduct of its activities constituting the purpose or function for which it is organized and operated, and which, in addition, meets either the assets test set forth in section 4942(j)(3)(B)(i), the endowment test set forth in section 4942(j)(3)(B)(ii), or the support test set forth in section 4942(j)(3)(B)(iii).

(b) *Foreign organizations.* A private foundation which meets the definition of the term "operating foundation" set forth in section 4942(j)(3) will be considered an operating foundation for purposes of making any determination under the internal revenue laws with respect to such foundation, or any grantor or contributor thereto, regardless of the fact that its funds are not used within the United States or its possessions, or it was created or organized other than in, or under the law of, the United States, any State or territory, the District of Columbia, or any possession of the United States.

§ 53.4942(b)-2 Operating foundation—income test.

(a) *General rule.* In order to qualify as an operating foundation, an organization must make qualifying distributions (within the meaning of section 4942(g)(1) or (2)) directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated equal to substantially all of its adjusted net income (as defined in section 4942(f)).

(b) *Meaning of "directly for the active conduct" of exempt activities.* (1) To satisfy the income test set forth in section 4942(j)(3)(A), the qualifying distributions which a foundation makes in satisfaction of the "substantially all" requirement (described in paragraph (e) of this section) must be used:

(i) By the distributing foundation itself, rather than by or through one or more distributee organizations which receive such qualifying distributions directly or indirectly from the distributing foundation; and

(ii) To carry on the active conduct of one or more of the distributing foundation's activities constituting the purpose or function for which it is organized and operated.

(2) Grants made to other organizations to assist them in conducting their activities are considered an indirect, rather than direct, means of carrying out an exempt purpose of the grantor foundation, regardless of the fact that the activities of the grantee organization may further the exempt program or purpose of the grantor foundation.

(3) An operating foundation is one which makes qualifying distributions to support activities or programs which it undertakes on its own in order to accomplish its exempt purpose. A foundation which merely makes grants to other organizations or which, without some further significant involvement as described in paragraph (c) of this section, makes grants, scholarships, or other payments to individual beneficiaries is not considered to be employing such distributions directly for the active conduct of activities which constitute the purpose

or function for which it is organized and operated. Thus, except as provided in paragraph (c) of this section, the act of paying funds or making them available by making grants, giving scholarships, or extending or guaranteeing credit does not constitute an exempt activity which is being directly and actively conducted by the foundation within the meaning of section 4942(j)(3)(A). For a foundation to be considered as making qualifying distributions "directly for the active conduct" of its exempt activities, it must itself utilize such distributions to carry on one or more of the activities which directly accomplish its exempt purposes (as distinguished from merely paying funds or making them available).

(4) Amounts paid to acquire or maintain assets which are directly devoted to the active conduct of the foundation's exempt activities within the meaning of section 4942(j)(3)(B)(i), such as the operating assets of a museum, public park or historic site, are considered qualifying distributions made directly for the active conduct of the foundation's exempt activities under section 4942(j)(3)(A). Administrative expenses (such as staff salaries and traveling expenses) and other operating costs necessary to carry on exempt programs (regardless of whether they are "directly for the active conduct" of exempt activities) which constitute part or all of the function for which the foundation is organized and operated are also counted toward meeting the income test under section 4942(j)(3)(A). However, administrative expenses and operating costs which are not attributable to such exempt programs, such as those expenses which are attributable to the production of income, are not counted toward meeting such income test. Administrative expenses and operating costs attributable both to exempt programs and to the production of income shall be allocated to each such activity on a reasonable basis.

(c) *Special grants, scholarships, and other payments to individual beneficiaries*—(1) *General rule.* If a foundation makes grants, scholarships, or other payments to individual beneficiaries (including program-related investments within the meaning of section 4944(c) made to individuals or corporate enterprises) to accomplish an exempt purpose in which the foundation otherwise maintains some significant involvement through the conduct of programs or activities (apart from such grants, scholarships, or other payments), such grants, scholarships, or other payments will be considered as qualifying distributions made directly for the active conduct of its exempt activities for purposes of paragraph (a) of this section. The act of selection, investigation, and screening of individual recipients of grants, scholarships, or other payments, without any further programs or activities by the foundation with respect thereto, does not, in and of itself, constitute a "significant involvement" within the meaning of this paragraph.

(2) *Meaning of "significant involvement".* For purposes of subparagraph (1) of this paragraph, a foundation will be considered as maintaining a "significant involvement" if it satisfies either subdivision (i) or subdivision (ii) of this subparagraph:

(i) (*a*) The primary charitable purpose of the foundation is the relief of poverty or human distress and its activities or programs are designed to ameliorate conditions among a poor or distressed class of persons or in an area subject to poverty or national disaster;

(*b*) The making of the grant or other payment accomplishes such purpose directly and without the assistance of an intervening organization or agency; and

(*c*) The foundation maintains a salaried or voluntary staff of administrators, researchers, or other personnel which supervise and direct the activities carried on in furtherance of the purposes described in (*a*) of this subdivision on a continuing basis.

For example, providing food or clothing to indigents or residents in a disaster area directly accomplishes the charitable purpose of relief of poverty or distress.

(ii) The foundation—

(*a*) Has developed some specialized skills, expertise, or involvement in a particular discipline or substantive area, such as scientific or medical research, social work, education, or the social sciences;

(*b*) Maintains a salaried staff of administrators, researchers, or other personnel who supervise or carry on programs or activities which support and advance its work in its particular area of interest; and

(*c*) As a part of its programs or activities, makes grants, scholarships, or other payments to individuals to encourage and further their involvement in the foundation's particular area of interest and in some part of the programs or activities carried on by the foundation.

The determination whether the making of grants, scholarships, or other payments described in subdivision (ii) of this subparagraph is pursuant to a significant involvement by the foundation in the exempt purposes which such grants, scholarships, or other payments are intended to accomplish, and is therefore a qualifying distribution made directly for the active conduct of the foundation's exempt purposes, must be based upon the facts and circumstances of each particular case. The test applied is a qualitative, rather than a strictly quantitative, one. Therefore, if the foundation maintains a significant involvement within the meaning of subdivision (i) or (ii) of this subparagraph, it will not fail to meet the general rule of subparagraph (1) of this paragraph solely because more of its funds are devoted to the grants, scholarships, or other payments than to the active programs or activities which such grants, scholarships, or other payments support. However, if such grants, scholarships, or other payments are not pursuant to some significant involvement by the foundation, they shall not be treated as being made within the meaning of subdivision (i) or (ii) of this subparagraph. The types of payments which will usually fall within the meaning of subdivision (ii) of this subparagraph are those which require or encourage the recipient to participate in activities or programs carried on by the grantor foundation. These would include, for example, grants under which the recipients, in addition to independent study, attend classes, seminars, or conferences sponsored or conducted by the grantor, or grants to engage in social work or scientific research projects which are under the general direction and supervision of the grantor. In each case, however, the foundation must have substantial, established, and continuing programs or activities (other than the making of grants, scholarships, or other payments) which are related to the purposes for which the grants, scholarships, or other payments are made and in which the recipients are, or are encouraged to become, involved. Absent such programs or activities, the grants, scholarships, or other payments will not be considered as qualifying distributions made directly for the active conduct of the exempt purposes of the foundation. Thus, a foundation which does no more than screen and investigate applicants for grants or scholarships, pursuant to which the recipients perform their work or studies alone or exclusively under the direction of some other organization, will not be considered as meeting the requirements of subdivision (ii) of this subparagraph. However, the administrative expenses of such screening and investigation (as opposed to the grants or scholarships themselves) will be considered as having been made directly for the active conduct of the foundation's exempt activities.

(d) *Examples.* The provisions of this section may be illustrated by the following examples:

Example (*1*). M, an organization described in section 501(c)(3), was created to improve conditions in a particular urban ghetto. It receives its funds primarily from a limited number of wealthy contributors interested in furthering its exempt purpose. M's program consists of making a survey of the problems of the ghetto to determine the areas in which its funds may be applied most effectively. Approximately 10 percent of its adjusted net income is used to conduct this survey. The balance of its income is used to make grants to other nonprofit organizations doing work in the ghetto in those areas determined to have the greatest likelihood of resulting in improved conditions. Under these circumstances, only 10 percent of M's adjusted net income may be considered as constituting qualifying distributions made directly for the active conduct of activities constituting the purpose or function for which it is organized and operated. M is therefore not an operating foundation because it fails to meet the income test under section 4942(j)(3)(A).

Example (*2*). Assume the facts as stated in Example (1), except that M uses the remaining 90 percent of its adjusted net income for the following purposes: (1) M maintains a salaried staff of social workers and researchers who analyze its surveys and make recommendations as to methods for improving ghetto conditions; (2) M makes grants to independent social scientists who assist in these analyses and recommendations; (3) M publishes periodic reports in-

dicating the results of its surveys and recommendations; (4) M makes grants to social workers and others who act as advisors to nonprofit organizations, as well as small business enterprises, functioning in the community (these advisors act under the general direction of the foundation and attempt to implement the foundation's recommendations through their advice and assistance to the nonprofit organizations and small business enterprises); and (5) M also makes grants to other social scientists who study and report on the success of the various enterprises which attempt to implement the foundation's recommendations. Under these circumstances, the foundation meets the requirements of paragraph (c)(2)(ii) of this section, and the various grants it makes are considered to be made directly for the active conduct of its exempt purposes.

Example (3). N, a museum described in section 501(c)(3), was founded by the gift of an endowment from a single contributor. It uses substantially all of its adjusted net income to operate the museum. If N meets one of the tests in section 4942(j)(3)(B), it is an operating foundation since substantially all of the qualifying distributions which it makes are used by N directly for the active conduct of the activity which constitutes the purpose for which it is organized and operated, within the meaning of section 4942(j)(3)(A).

Example (4). O is a charitable organization described in section 501(c)(3). It was created for the purpose of giving scholarships to children of the employees of X corporation who meet the standards set by O. O not only screens and investigates each applicant to make sure that he complies with the academic and financial requirements set for scholarship recipients, but also administers an examination which each applicant must take. Substantially all of its adjusted net income is used in awarding these scholarships to the chosen applicants. O does not carry on any programs or activities of an educational nature on its own. Although O is using its funds in furtherance of its exempt program, it is not directly engaged in the active conduct of an activity constituting the purpose for which it is organized and operated, within the meaning of section 4942(j)(3)(A).

Example (5). P is an educational organization described in section 501(c)(3). It was created for the purpose of training teachers for institutions of higher eduction. Each year it awards a substantial number of fellowships to students for graduate study leading towards their M.A. or Ph. D. degrees. The applicants for these fellowships are carefully screened by the organization's staff, and only those applicants who indicate a strong interest in teaching in colleges or universities are chosen. The organization publishes and circulates various pamphlets encouraging a development of interest in college teaching and describing its fellowships. It conducts annual summer seminars which are attended by its fellowship recipients, its staff, consultants and other interested parties. The purpose of these seminars is to foster and encourage the development of college teaching. The organization publishes a report of the seminar proceedings along with related studies written by those who attended. Despite the fact that a substantial portion of the organization's adjusted net income is devoted to granting fellowships, its commitment to encouraging individuals to become teachers at institutions of higher learning, its maintenance of a staff and programs designed to further this purpose, and the granting of fellowships to encourage involvement both in its own seminars and in its exempt purpose indicate a significant involvement in its exempt purposes beyond the mere granting of fellowships. Under these circumstances, the fellowship grants constitute qualifying distributions made directly for the active conduct of its exempt purposes, within the meaning of section 4942(j)(3)(A).

Example (6). Q is a section 501(c)(3) organization composed of professional organizations interested in different branches of one academic discipline. The society trains its own professional staff, conducts its own program of research, selects research topics, screens and investigates grant recipients, makes grants to those selected, and sets up and conducts conferences and seminars for the grantees. Q has particular knowledge and skill in the given discipline, carries on a program of activities to advance its study of that discipline, and makes grants to individuals to enable them to participate in activities which it conducts to further its exempt purposes. Under these circumstances, Q's grants are considered as made directly for the active conduct of its exempt activities, within the meaning of section 4942(j)(3)(A).

Example (7). R is a medical research organization described in section 501(c)(3) which was created to study and perform research concerning heart disease. R has its own research center in which it carries on a broad number of research projects in the field of heart disease with its own professional staff. Physicians and scientists who are interested in special projects in this area present the plans for their projects to R. The directors of R study these plans and decide if the project is feasible and will further the work being done by R. If it is, R makes a grant to the individual to enable him to carry out his project, either at R's facilities or elsewhere. Reports of the progress of the project are made periodically to R, and R exercises a certain amount of supervision over the project. The resulting findings of these projects are usually published by R. Under these circumstances, the grants made by R constitute qualifying distributions made directly for the active conduct of R's exempt activities, within the meaning of section 4942(j)(3)(A).

Example (8). S is an organization described in section 501(c)(3) which maintains a large library of manuscripts and other historical reference material relating to the history and development of the region in which the collection is located. It makes a limited number of annual grants to enable postdoctoral scholars and doctoral candidates to use its library. Sometimes S obtains the right to publish the scholar's work, although this is not a prerequisite to the receipt of a grant. The primary criterion for selection of grant recipients is the usefulness of the library's resources to the applicant's field of study. Under these circumstances, the grants made by S constitute qualifying distributions made directly for the active conduct of S's exempt activities, within the meaning of section 4942(j)(3)(A).

Example (9). T is a charitable organization described in section 501(c)(3). It was created by the members of one family for the purpose of relieving poverty and human suffering. T has a large salaried staff of employees who operate offices in various areas throughout the country. Its employees make gifts of food and clothing to poor persons in the area serviced by each office. On occasion, it also provides temporary relief in the form of food and clothing to persons in areas stricken by natural disasters. If conditions improve in one poverty area, T transfers the resources of the office in that area to another poverty area. Under these circumstances, the gifts of food and clothing are considered qualifying distributions made directly for the active conduct of T's exempt activities, within the meaning of section 4942(j)(3)(A).

Example (10). U is a scientific organization described in section 501(c)(3). Its principal purpose is to study the effect of early childhood brain damage. It carries on an active and continuous research program in this area through a salaried staff of scientists and physicians. As part of its research program, U awards scholarships to young people suffering mild brain damage to enable them to attend special schools equipped to handle such problems. The recipients are periodically tested to determine the effect of such schooling upon them. Under these circumstances, the scholarships awarded by U are considered as qualifying distributions made directly for the active conduct of U's exempt activities, within the meaning of section 4942(j)(3)(A).

(e) *Meaning of "substantially all".* For purposes of section 4942(j)(3)(A), as well as section 4942(j)(3)(B)(i) and (iii), the term "substantially all" shall mean 85 percent or more. If an organization makes qualifying distributions directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated in an amount equal to at least 85 percent of its adjusted net income, it will be considered as satisfying the income test under section 4942(j)(3)(A) even if it makes grants to organizations or engages in other activities with the remainder of its adjusted net income and with other funds. In determining whether the amount of qualifying distributions made directly for the active conduct of exempt purposes equals at least 85 per cent of its adjusted net income, an organization is not required to trace the source of such expenditures to determine whether they were derived from income or from contributions.

(f) *Treatment of section 4940 tax.* For purposes of section 4942(j)(3)(A) and (B)(ii), the tax imposed upon an organization under section 4940 shall be considered a qualifying distribution within the meaning of section 4942(g)(1) which is made directly for the active conduct of the organization's exempt purposes.

§ 53.4942(b)-3 Operating foundation—assets test.

(a) *General rule.* A private foundation will meet the requirements of the assets test set forth in section 4942(j)(3)(B)(i) if substantially more than half of the foundation's assets:

(1) Are devoted directly (i) to the active conduct of the activities constituting the purpose or function for which it is organized and operated; (ii) to functionally related businesses (as defined in section 4942(j)(5)); or (iii) to any combination thereof;

(2) Are stock of a corporation which is controlled by the foundation and substantially all the assets of which are so devoted; or

(3) Are in part assets which are described in subparagraph (1) of this paragraph and in part stock which is described in subparagraph (2) of this paragraph.

For purposes of subparagraph (2) of this paragraph, the term "controlled" shall be as defined in section 368(c).

(b) *Qualifying assets.* (1) An asset is devoted directly to the active conduct of the activities constituting the purpose or function for which the foundation is or-

ganized and operated only if the asset is used by the foundation in the actual carrying on of the charitable, educational, or other similar function which gives rise to the exempt status of the foundation and the carrying on of such function is directly for the active conduct of an exempt activity within the meaning of section 53.4942(b)-2(b). Thus, such assets as real estate, physical facilities, or objects (such as museum assets, classroom fixtures and equipment, and research facilities) and intangible assets (such as patents, copyrights and trademarks) will be considered assets described in section 4942(j)(3)(B)(i) to the extent that they are used directly by the foundation in actively carrying on its exempt activities or programs. However, assets (for example, stock, bonds, interest-bearing notes, or real estate leased to other organizations), including endowment funds, when held for the production of income, for investment, or for some other similar use, are not devoted directly to the active conduct of the foundation's exempt activities, even though income from such assets is used to carry on the foundation's charitable, etc., program or function. Furthermore, assets which are held for the purpose of extending credit, or making funds available, to members of a charitable class are not considered assets devoted directly to the active conduct of an exempt activity. For example, assets which constitute program-related investments under section 4944(c) (other than those referred to in § 53.4942(b)-2(c)(1)) or which are set aside in special reserve accounts to guarantee student loans made by lending institutions will not be considered assets devoted directly to the active conduct of activities constituting the purpose or function for which the foundation is organized and operated.

(2) Whether an asset is held for the production of income, for investment, or for some other similar use, rather than being used directly in the active conduct of the foundation's exempt activities or functions, is a question of fact. For example, an office building used for the purpose of providing offices for employees engaged in the management of endowment funds of the foundation is not devoted directly to the active conduct of activities constituting the purpose or function for which the foundation is organized and operated. However, to the extent that administrative assets, such as real estate, office equipment and supplies, can be allocated directly to the active conduct of the foundation's exempt activities, they shall be considered as devoted directly to such activities. Real estate purchased by the foundation for use in carrying on its charitable, etc., activities may be considered devoted directly to the active conduct of such activities even though the property, in whole or in part, is leased for a limited period of time during which arrangements are made for its conversion to the use for which it was acquired, provided such income-producing use of the property does not last longer than 1 year. Any amount set aside by the foundation for a specific project, such as, for example, the acquisition, construction, or restoration of additional buildings or facilities in which to carry on its exempt activities, will be considered an asset which is devoted directly to the active conduct of the activities constituting the basis of the foundation's exemption during the period of such set-aside, if the initial setting aside of the funds constituted a set-aside within the meaning of section 4942(g)(2) and the specific project for which such amount was set aside is one which will directly involve the foundation in the active conduct of activities constituting the purpose or function for which it is organized and operated.

(3) Any asset which is held by the foundation for part of a taxable year shall be taken into account for such taxable year for purposes of section 4942(j)(3)(B)(i) only in the proportion which the number of days of such year in which such asset was so held bears to the total number of days of such year.

(4) A foundation which devotes substantially more than half of its assets to any combination of the uses described in subparagraphs (1), (2), and (3) of paragraph (a) of this section will meet the assets test of section 4942(j)(3)(B)(i). Any assets devoted to functionally related businesses (as defined in section 4942(j)(5)) are therefore to be counted toward meeting the assets test. For example, X foundation is devoted to acquiring, preserving, and otherwise making available for public use large and geographically diversified areas of natural beauty. X has acquired and erected facilities for lodging and other visitor accommodations in National Park areas created as a result, in part, of its direct grants. The operation of such accommodations constitutes a functionally related business within the meaning of section 4942(j)(5) and, therefore, the foundation's assets which are directly devoted to such business will be counted toward meeting the assets test under section 4942(j)(3)(B)(i). If substantially more than half of the foundation's assets are so devoted, either alone or in combination with assets devoted directly to the active conduct of the foundation's exempt activities, the foundation will satisfy the requirements of section 4942(j)(3)(B)(i). Similarly, foundation assets consisting of stock of a corporation which is controlled by the foundation are counted toward meeting the assets test of section 4942(j)(3)(B)(i) if substantially all of such corporation's assets are devoted directly either to the active conduct of activities which constitute the purpose or function for which the foundation is organized and operated or to functionally related businesses or to both. For example, Y foundation is devoted to the maintenance and operation of an historic area for the benefit of the general public. Y holds the stock of a separately incorporated, wholly owned subsidiary which operates a restaurant and inn for visitors to the area. These facilities comprise substantially all of the subsidiary's assets. The stock of the subsidiary will be considered as part of Y foundation's assets which can be counted toward satisfying the assets test of section 4942(j)(3)(B)(i). Similarly, Z foundation has constructed and maintains a large horticultural and recreational area for the use of the general public. Through a wholly owned subsidiary corporation, Z provides food, lodging, and other services for visitors to the garden. These facilities constitute substantially all of the subsidiary's assets. The stock of the subsidiary can therefore be counted by Z toward meeting the assets test of section 4942(j)(3)(B)(i).

(5) For purposes of determining whether substantially more than half of a foundation's assets are devoted directly to the purposes specified in section 4942(j)(3)(B)(i), all assets shall be valued at their fair market value. Fair market value shall be determined at such time and in such manner as prescribed by the regulations under section 4942(e)(2). However, in the case of assets which are unique and for which neither a ready market nor standard valuation methods exist (such as historical objects or buildings, certain works of art, and botanical gardens), the historical cost (unadjusted for depreciation) shall be considered equal to fair market value unless the foundation demonstrates that fair market value is other than cost. Where it has been demonstrated that the fair market value of a unique asset is other than cost, such valuation will be considered valid for a period of 5 taxable years after the taxable year of such valuation, absent destruction, substantial damage to the asset, or other special circumstances.

(c) *Meaning of "substantially more than half".* For purposes of section 4942(j)(3)(B)(i), the term "substantially more than half" shall mean 65 percent or more.

§ 53.4942(b)-4 Operating foundations—endowment test.

A foundation will meet the endowment alternative under the provisions of section 4942(j)(3)(B)(ii) if it normally makes qualifying distributions (within the meaning of section 4942(g)(1) or (2)) directly for the active conduct of activities constituting the basis of its exemption in an amount not less than two-thirds of its minimum investment return (as defined in section 4942(e)). For the meaning of the term "qualifying distributions directly for the active conduct of activities" constituting the basis of exemption, see § 53.4942(b)-2. In determining whether the amount of such qualifying distributions is not less than an amount equal to two-thirds of the organization's minimum investment return, the organization is not required to trace the source of such expenditures to determine whether they were derived from investment income or from contributions. For example, X foundation has $400,000 of endowment funds and other assets not used (or held for use) directly in carrying out the foundation's exempt purpose. X makes qualifying distributions of $17,000 in 1970 directly for the active conduct of the activities constituting the purpose or function for

which it is organized. Two-thirds of X's minimum investment return on its endowment funds and nonoperating assets is $16,000 (6 percent×$400,000=$24,000; ⅔×$24,000=$16,000). X foundation meets the endowment test of section 4942(j)(3)(B)(ii). However, if X's qualifying distributions were only $15,000, X would not qualify under the endowment test unless it either reduced its endowment to $375,000 (6 percent×$375,000=$22,500; ⅔×$22,500=$15,000) or increased its current qualifying distributions for operating purposes to $16,000.

§ 53.4942(b)–5 Operating foundation—support test.

(a) *In general.* A foundation will meet the support test under the provisions of section 4942(j)(3)(B)(iii) if:

(1) Substantially all of its support (other than gross investment income as defined in section 509(e)) is normally received from the general public and from five or more exempt organizations which are not described in section 4946(a)(1)(H) with respect to each other or the recipient foundation;

(2) Not more than 25 percent of its support (other than gross investment income) is normally received from any one such exempt organization; and

(3) Not more than half of its support is normally received from gross investment income.

(b) *Support.* The term "support" shall, for purposes of section 4942(j)(3)(B)(iii), have the same meaning as the term "support" in section 509(d). A foundation may satisfy the "substantially all" requirement of section 4942(j)(3)(B)(iii) if 85 percent or more of its support (other than gross investment income) is normally received from the general public, from five or more exempt organizations, or from some combination of these sources. However, the support received from any one exempt organization may be counted toward the satisfaction of the required 85 percent support test only if the foundation receives support from no fewer than five exempt organizations. For example, a foundation which normally receives 20 percent of its support (other than gross investment income) from each of five exempt organizations may qualify under section 4942(j)(3)(B)(iii) even though it receives no support from the general public. However, if a foundation normally received 50 percent of its support (other than gross investment income) from three foundations and the balance of such support from sources other than exempt organizations, such foundation would not meet the test under section 4942(j)(3)(B)(iii) because it could not meet the "substantially all" test without including support from fewer than five exempt organizations.

(c) *Support from the general public.* In determining whether the "substantially all" test is satisfied, support received from an individual, or from a trust or corporation (other than an exempt organization), shall be taken into account as support from the general public only to the extent that the total amount of the support received from any such individual, trust, or corporation during the period for determining the normal sources of the foundation's support (as set forth in § 53.4942(b)–6) does not exceed 1 percent of the foundation's total support (other than gross investment income) for such period. In applying the 1-percent limitation, all support received from any donor or customer of the foundation and any person or persons standing in a relationship to such donor or customer which is described in section 4946(a)(1)(C) through (G) and the regulations thereunder shall be treated as received from one person. For purposes of section 4942(j)(3)(B)(iii), support received from a governmental unit described in section 170(c)(1) shall be treated as support received from the general public, but shall not be subject to the 1-percent limitation on support from members of the general public described in this paragraph.

§ 53.4942(b)–6 Determination of compliance with operating foundation tests.

(a) *General rule.* The determination whether the income test under section 4942(j)(3)(A) and one of the three tests under section 4942(j)(3)(B) are met depends on whether the tests are met in the normal and regular operation of a foundation over a period of years, rather than on any given day during a taxable year or on a year-by-year basis. A foundation may therefore meet the income test and either the assets, endowment, or support test by satisfying them for any 3 years during a 4-year period consisting of the taxable year in question and the three immediately preceding taxable years or on the basis of an aggregation of all pertinent amounts of income or assets held, received, or distributed during such 4-year period. A foundation may not use one method for satisfying section 4942(j)(3)(A) and another for satisfying section 4942(j)(3)(B). Thus, if a foundation meets the income test under section 4942(j)(3)(A) on the 3-out-of-4-year basis for a particular taxable year, it may not use the 4-year aggregation method for meeting section 4942(j)(3)(B) for that particular year. However, the fact that a foundation has chosen one method for satisfying the tests under section 4942(j)(3) for 1 taxable year will not preclude it from satisfying such tests for a subsequent taxable year by the alternate method.

(b) *Three-out-of-four-year method.* A foundation will be considered an operating foundation for a particular taxable year if it meets the income test and one of the tests set forth in section 4942(j)(3)(B) for any 3 years during a 4-year period consisting of the taxable year in question and the three immediately preceding taxable years. If a foundation fails to meet such tests for a particular taxable year, and is unable to meet such tests under the aggregation method described in paragraph (c) of this section, it shall be treated as a nonoperating foundation for such taxable year and for all subsequent taxable years until it meets the tests set forth in section 4942(j)(3) for a taxable year occurring after the taxable year in which it was treated as a nonoperating foundation.

(c) *Aggregation method.* A foundation will be considered an operating foundation for a particular taxable year if, for a period consisting of that particular taxable year and the three immediately preceding taxable years:

(1) The total amount of the qualifying distributions made during such period directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated was equal to substantially all of its total adjusted net income during such period; and

(2) Either—

(i) Substantially more than half of the total amount of its assets during such period were devoted directly to such activities or to functionally related businesses or to both, or were stock of a corporation which was controlled by the foundation and substantially all of the assets of which were so devoted;

(ii) The qualifying distributions made during such period directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated was in an aggregate amount not less than two-thirds of the total of its minimum investment returns for each year during such period; or

(iii) Substantially all of the total amount of support (other than gross investment income) received during such period is from the sources described in section 4942(j)(3)(B)(iii); not more than 25 percent of the total support (other than gross investment income) is received during such period from any one exempt organization described in section 4942(j)(3)(B)(iii); and not more than half of its total support is received during such period from gross investment income.

(d) *New foundations.* Except as provided in paragraph (e) of this section, a newly created foundation will be treated as an operating foundation only if it has satisfied the tests in section 4942(j)(3) by the aggregation method described in paragraph (c) of this section for at least 1 taxable year. If a foundation meets such tests by the end of its first taxable year, it will be treated as an operating foundation from the beginning of such taxable year. After meeting such tests for 1 taxable year, it may continue its status as an operating foundation for its second and third taxable years only by meeting such tests by the aggregation method described in paragraph (c) of this section for such taxable years as it has been in existence.

(e) *New foundations; special rule for first year—*(1) *Special rule.* A newly created foundation will be treated as an operating foundation prior to the end of its first taxable year if it submits evidence sufficient to establish to the satisfaction of the Secretary or his delegate that it can reasonably be expected to meet the test under section 4942(j)(3)

(A) and one of the tests under section 4942(j)(3)(B) for such first taxable year pursuant to paragraph (d) of this section. An organization which, pursuant to this subparagraph, has been treated as an operating foundation for its first taxable year (without withdrawal of such treatment by notification from the Internal Revenue Service during such year), but fails actually to qualify as an operating foundation under paragraph (d) of this section for such taxable year, will be treated as a private foundation which is not an operating foundation as of the first day of its second taxable year for purposes of making any determination under the internal revenue laws with respect to such organization, until such time as the organization does meet the requirements of section 4942(j)(3). For the status of grants or contributions with respect to grantors or contributors under sections 170 and 4942 to such organization, see paragraph (f) of this section.

(2) *Transitional rule for existing organizations.* An organization in existence on December 31, 1969, but which is unable to meet the tests under section 4942(j)(3) for its first taxable year beginning after such date on the basis of its operations for years prior to such taxable year under any of the methods prescribed in paragraph (b) or (c) of this section, will be treated as a new organization for purposes of paragraphs (d) and (e)(1) of this section if:

(i) It changes its methods of operation during such first taxable year beginning after December 31, 1969, to conform to the requirements of section 4942(j)(3), and

(ii) It submits evidence sufficient to establish to the satisfaction of the Secretary or his delegate that it can reasonably be expected to meet the tests under section 4942(j)(3) for such first taxable year pursuant to paragraph (d) of this section.

An organization shall submit detailed information with respect to its operations for the 3 taxable years prior to its first taxable year beginning after December 31, 1969, as part of the evidence required to determine whether it has changed its methods of operation pursuant to subdivision (i) of this subparagraph.

(f) *Treatment of contributions.* The status of grants or contributions as grants or contributions to an operating foundation under sections 170 and 4942 will not be affected until notice of change of status of such organization is made to the public (such as by publication in the Internal Revenue Bulletin), unless the grantor or contributor (or any person standing in a relationship to such grantor or contributor which is described in section 4946(a)(1)(C) through (G)):

(1) Was in part responsible for, or was aware of, the act or failure to act that resulted in the organization's inability to satisfy the requirements of section 4942(j)(3), or

(2) Acquired knowledge that the Internal Revenue Service had given notice to such organization that it would be deleted from classification as an operating foundation.

[F.R. Doc. 71-4; Filed, Jan. 4, 1971; 8:45 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 987]

[Docket No. AO-269-A5]

DOMESTIC DATES PRODUCED OR PACKED IN DESIGNATED AREA OF CALIFORNIA

Notice of Hearing on Proposed Amendment of the Marketing Agreement, as Amended, and Order, as Amended

Notice is hereby given of a public hearing to consider a proposed amendment of the marketing agreement, as amended, and Order No. 987, as amended (7 CFR Part 987), hereinafter referred to collectively as the "order", regulating the handling of domestic dates produced or packed in a designated area of California.

The notice of hearing is pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674), and in accordance with the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and orders (7 CFR Part 900). The public hearing will be held at the Coachella Valley Water District Auditorium, Avenue 52 and Highway 111, Coachella, CA, beginning at 9:30 a.m., local time, January 15, 1971. The proposed amendment has not received the approval of the Secretary of Agriculture.

The purpose of the public hearing is to receive evidence on the economic and marketing conditions which relate to the proposed amendment, hereinafter set forth, and to any appropriate modifications thereof.

The Date Administrative Committee, the administrative agency established pursuant to the order, submitted the following amendatory proposals and requested a hearing thereon:

1. Section 987.4 is revised to read:

§ 987.4 **Area of production.**

"Area of production" means Riverside County, Calif.

2. Section 987.6 is revised to read:

§ 987.6 **Crop year.**

"Crop year" means the 12-month period beginning on October 1 of each year and ending September 30 of the following year, except that the crop year ending September 30, 1971, shall begin on August 1, 1970. (In connection with the proposed revision of § 987.6, evidence will be received relative to changing the deadline dates specified in the order so that they will be compatible with such revision of the term crop year that may result from the public hearing. Such deadline dates includes, but are not limited to: August 1 in § 987.34; July 31 in § 987.34(b); January 31 in § 987.45(b); July 31 in § 987.45 (e) and (f); January 31 in § 987.46; September 30 in § 987.58; January 1, June 1, and August 1 in § 987.61; and June 1 in § 987.82(b)(2)).

3. Section 987.9 is revised to read:

§ 987.9 **Handle.**

"Handle" means to sell, consign, transport, or ship (except as a common or contract carrier of dates owned by another person) or in any other way to put dates into the current of commerce including the shipment or delivery of substandard dates or cull dates into nonhuman consumption outlets, except that sales or deliveries, by producers, of other than cull dates to a handler within the area of production, or the movement of dates by a handler to storage for his account within the area of production, or within the counties of San Bernardino and Imperial, in the State of California, or within such other counties in the State of California, adjoining the area of production as the Committee may prescribe, with the approval of the Secretary, shall not be considered as handling.

4. Section 987.18 is revised to read:

§ 987.18 **Committee.**

"Committee" means the California Date Administrative Committee, established pursuant to § 987.21.

5. Section 987.19 is revised to read:

§ 987.19 **Cooperative association of producers.**

"Cooperative association of producers" means a cooperative association of date producers organized under the laws of the State of California.

6. Section 987.20 is revised to read:

§ 987.20 **Part and subpart.**

"Part" means the order regulating the handling of domestic dates produced or packed in Riverside County, Calif., and all rules, regulations, and supplementary orders issued thereunder. The aforesaid order shall be a "subpart" of such part.

7. Section 987.21 is revised to read:

§ 987.21 **Establishment of California Date Administrative Committee.**

A California Date Administrative Committee consisting of eight members is hereby established to administer the terms and conditions of this part. For each member there shall be an alternate member, and the provisions of this part applicable to the number, nomination, and selection of members shall also apply to alternate members.

8. Section 987.22 is revised to read:

§ 987.22 **Membership representation.**

(a) Five members of the Committee shall be individuals who are producers or employees of producers; and such members are referred to in this part as "producer members". Three members shall be individuals who are handlers or employees of handlers; and such members are referred to in this part as "handler members".

(b) The producer members shall be apportioned, as provided in this section,

between the group of producers affiliated with cooperative associations of producers (referred to in this part as "cooperative producers") and the group of producers having no such affiliation (referred to in this part as "independent producers"). The apportionment shall be according to the respective total quantities of field-run dates delivered to handlers by the producers thereof in the respective groups during the then current crop year through April, as determined by the Committee on the basis of its applicable records. Each such group shall have one producer member for each portion of the applicable total quantity of such dates delivered by the producers in such group that represents 20 percent of the combined total quantities delivered by both groups plus one additional producer member for the remainder, if any, of such applicable total quantity that is in an amount greater than one-half of the amount represented by the basic 20 percent: *Provided,* That the cooperative producers shall be represented by not more than three producer members and the remaining producer members shall represent the independent producers. At least one independent producer member shall be a producer-handler, if there is such a qualified person available, who produced during the then current crop year through April at least 51 percent of all the dates handled by him during such period. Whenever it is determined pursuant to this paragraph that a change in producer representation is required for the ensuing term of office, the Secretary shall, on the basis of information submitted by the Committee, and other available information, revise the representation consistent with the provisions of this paragraph.

9. Section 987.23 is revised to read:

§ 987.23 Term of office.

The term of office for members shall be 1 year beginning August 1 but each such member shall continue to serve until his successor has been selected and has qualified: *Provided,* That the incumbent members serving on the Date Administrative Committee immediately prior to the effective date of this amended subpart shall serve as members of the California Date Administrative Committee until such time as the initial producer members and handler members selected by the Secretary in accordance with § 987.24 of this amended subpart to serve on the California Date Administrative Committee have qualified.

10. Revise § 987.24 to read:

§ 987.24 Nomination and selection.

(a) Nominations for members of the Committee shall be made not later than June 15 of each year.

(b) A cooperative association of producers shall, by a resolution adopted by its board of directors, nominate the applicable number of individuals to serve as producer members representing cooperative producers as provided in § 987.22. Whenever there are two or more cooperative associations of producers, the vote by each such association shall be weighted by the number of its cooperative producers during the then current crop year through April 1. The individual receiving the highest number of votes for a position shall be the nominee.

(c) A meeting or meetings of independent producers shall be held in the area of production for the purpose of nominating individuals to serve as producer members on the Committee. Such producers shall nominate the applicable number of individuals for producer member positions in conformity with § 987.22. Each such producer, regardless of the number and location of his date gardens, shall be entitled to one vote for each producer member position to be filled. The individual receiving the highest number of votes for a position shall be the nominee.

(d) A meeting or meetings of handlers shall be held in the area of production for the purpose of nominating three individuals to serve as handler members on the Committee. Each handler shall be entitled to vote for only one handler member position to be filled. The vote of each handler shall be weighted by the tonnage of dates the handler acquired, or if a cooperative association of producers, by the tonnage the handler received, from producers and had certified for handling or for further processing during the then current crop year through April. The individual receiving the highest number of votes for a handler member position shall be the nominee for that position.

(e) Promptly after the completion of the meetings required by this section, the Committee shall report to the Secretary the nominees for each position to be filled, together with a certification of such results and all necessary tonnage data and other information required by the Secretary. From such nominees or from other eligible persons, the Secretary shall select the Committee members as prescribed in § 987.22.

11. The following sentence is added at the end of § 987.27: "However, if both a producer member and his alternate are absent from an assembled meeting, the chairman may, with the concurrence of the producer members present from the producer group affected by the absence, designate an alternate member from such group who is present at the meeting and is not acting as a member, to act in the place and stead of the absent member and alternate."

12. Section 987.31 is revised to read:

§ 987.31 Procedure.

(a) Five members, including alternates acting as members, of the Committee shall constitute a quorum.

(b) The members of the Committee shall, from among its members, select a chairman and such other officers, and adopt such rules for the conduct of its business, as it may deem advisable.

(c) For any decision of the Committee to be valid, at least five members must cast a concurring vote. At all assembled meetings, each vote shall be cast in person.

(d) The Committee may vote upon any proposition by mail, telephone when confirmed in writing within 2 weeks, or telegram, upon due notice and full and identical explanation to all members, and eight concurring votes shall be required for the adoption of any such proposition.

13. The third sentence of § 987.33 is revised to read: "However, no program of paid advertising nor major program of marketing promotion shall be adopted unless favored by at least six Committee members."

14. The last sentence of paragraph (d) of § 987.45 is revised to read: "Any handler who during a crop year disposes, in restricted outlets, of a quantity of marketable dates in excess of his restricted obligation of such year may: (1) On written request to the Committee have a part or all of such excess transferred, by the Committee, to such other handler or handlers as he may name, for crediting such other handlers' restricted obligations incurred in that crop year; and in addition (2) have a part or all of the remainder of such excess credited to his restricted obligation to the next crop year, but only to the extent prescribed by the Committee, with the approval of the Secretary".

15. The heading and first sentence of § 987.68 are revised to read:

§ 987.68 Verification of reports and records.

For the purpose of checking compliance with recordkeeping requirements and verifying reports filed by handlers, the Secretary and the Committee, through its duly authorized employees, shall have access to any premises where dates are held and, at any time during reasonable business hours, shall be permitted to examine any dates held and any and all records with respect to matters within the purview of this part.

16. Make such other changes in the order as may be necessary to make the entire order conform to any changes that may result from this hearing.

Copies of this notice may be obtained from the Los Angeles Marketing Field Office, Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, Room 1733, 312 North Spring Street, Los Angeles, CA 90012, or from the Date Administrative Committee, 81–855 Highway 111, Room 2–G, Indio, CA 92201.

Dated: December 29, 1970.

JOHN C. BLUM,
Deputy Administrator,
Regulatory Programs.

[F.R. Doc. 71–13; Filed, Jan. 4, 1971; 8:45 a.m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

[15 CFR Part 7]

CHILDREN'S SLEEPWEAR

Notice of Procedures for Public Hearing

The following procedures are established for the informal public oral hear-

ing to be held on January 14, 1971, on the proposed children's sleepwear standard (PFF 3–70, 35 F.R. 17670, Nov. 17, 1970). This hearing was announced in the FEDERAL REGISTER on December 23, 1970 (35 F.R. 19520). I have been designated by the Secretary of Commerce under authority of § 7.9(c), Flammable Fabrics Act Procedures (15 CFR Part 7) to conduct such hearings and establish reasonable procedures therefor. Persons desiring to testify at such hearing should notify the Assistant Secretary for Science and Technology, Department of Commerce, Room 3862, Main Commerce Building, Washington, DC 20230, as promptly as possible, and in any event prior to the hearing date, in order that preparations may be made to accommodate every person who desires to appear.

I. *Purpose.* The purpose of the informal oral hearing on children's sleepwear is to provide all interested segments of the public with an opportunity to comment upon the Department's proposed children's sleepwear standard. This hearing will be held in accordance with § 7.9, Flammable Fabrics Act Procedures (15 CFR Part 7).

II. *Conduct of hearings.* a. This hearing shall be an informal, nonadversary proceeding at which there will be no formal pleadings or adverse parties.

b. The presiding officer shall have the right to apportion the time of persons making presentations at the hearing in an equitable manner. Witnesses may submit a written presentation of their views for the record.

c. The presiding officer and other Department representatives shall have the right to question witnesses appearing at this hearing as to their testimony and other matters relating to the proposed standard.

d. The presiding officer shall have the right to terminate or shorten the presentation of any party appearing at this hearing when, in the opinion of said presiding officer, such presentation is repetitive or is not relevant to the purpose of the hearing.

e. The presiding officer has the right to exercise authority necessary to contribute to the equitable and efficient conduct of these hearings and to maintain order at the hearings.

RICHARD O. SIMPSON,
Acting Assistant Secretary for Science and Technology.

DECEMBER 30, 1970.

[F.R. Doc. 71–87; Filed, Jan. 4, 1971; 8:50 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

NICKEL AND NICKEL-EARING MATERIALS FROM FRANCE

Removal of Restrictions on Imports

The Office of Foreign Assets Control is satisfied that nickel and nickel-bearing materials imported from France subsequent to the date hereof will not contain nickel of Cuban origin. Accordingly, the Office of Foreign Assets Control's instructions to the Bureau of Customs under the Cuban Assets Control Regulations to detain unlicensed imports of nickel and nickel-bearing materials of French origin are rescinded. Such materials may now be imported without obtaining a certificate of origin or specific license issued in connection with the Cuban Assets Control Regulations.

[SEAL] MARGARET W. SCHWARTZ,
Director,
Office of Foreign Assets Control.

[F.R. Doc. 71-123; Filed, Jan. 4, 1971; 8:51 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

OREGON; CHIEF, DIVISION OF MANAGEMENT SERVICES ET AL.

Delegation of Authority; Contracts and Leases

Correction

In F.R. Doc. 70-17342 appearing on page 19582 in the issue of Thursday, December 24, 1970, the word "Oregon" should be added to the heading as set forth above.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ACTING ASSISTANT REGIONAL ADMINISTRATOR FOR RENEWAL ASSISTANCE REGION III (PHILADELPHIA)

Designation

The official named below is hereby designated to serve as Acting Assistant Regional Administrator for Renewal Assistance, Region III, during the vacancy in the position of Assistant Regional Administrator for Renewal Assistance, with all the powers, functions, and duties redelegated or assigned to the Assistant Regional Administrator for Renewal Assistance.

1. Douglas E. Chaffin, Assistant Regional Administrator for Administration.

(Delegation May 4, 1962, 27 F.R. 4319; Department Interim Order II, 31 F.R. 815, Jan. 21, 1966)

Effective as of the 6th day of October 1970.

WARREN P. PHELAN,
Regional Administrator, Region III.

[F.R. Doc. 71-11; Filed, Jan. 4, 1971; 8:45 a.m.]

REGIONAL ADMINISTRATOR AND DEPUTY REGIONAL ADMINISTRATOR REGION VIII (DENVER)

Delegation of Authority With Respect to Surplus Real Property

The Regional Administrator and the Deputy Regional Administrator, Region VIII (Denver), each is authorized to exercise the authority of the Secretary of Housing and Urban Development to dispose of the hereinafter described property, together with any improvements and related personal property located thereon, transferred to the Secretary by the Administrator of General Services on December 24, 1970, pursuant to section 414(a) of the Housing and Urban Development Act of 1969, 40 U.S.C. 484(b):

Fargo Radio Range Site, Fargo, Cass County, N. Dak.; identified more particularly in the Report of Excess Real Property dated June 12, 1970, from the Department of Health, Education and Welfare (GSA Control No. GR-ND-438).

(Sec. 7(d), Department of HUD Act, 42 U.S.C. 3535(d))

Effective date: This delegation of authority is effective as of December 28, 1970.

GEORGE ROMNEY,
Secretary of Housing and Urban Development.

[F.R. Doc. 71-10; Filed, Jan. 4, 1971; 8:45 a.m.]

CIVIL SERVICE COMMISSION

DENTAL HYGIENIST, DENVER STANDARD METROPOLITAN STATISTICAL AREA

Notice of Establishment of Minimum Rates and Rate Ranges

Under authority of 5 U.S.C. 5303 and Executive Order 11073, the Civil Service Commission has established special minimum salary rates and rate ranges as follows:

GS-682 DENTAL HYGIENIST SERIES

Geographic Coverage: Denver Standard Metropolitan Statistical Area (includes Adams, Arapahoe, Boulder, Denver, and Jefferson Counties).
Effective Date: First day of the first pay period beginning on or after December 27, 1970.

PER ANNUM RATES

Grade	1	2	3	4	5	6	7	8	9	10
GS-4	$7,413	$7,608	$7,803	$7,998	$8,193	$8,388	$8,583	$8,778	$8,973	$9,168
GS-5	7,856	8,074	8,292	8,510	8,728	8,946	9,164	9,382	9,600	9,818
GS-6	8,509	8,752	8,996	9,238	9,481	9,724	9,967	10,210	10,453	10,696
GS-7	9,178	9,448	9,718	9,988	10,258	10,528	10,798	11,068	11,338	11,608

All new employees in the specified occupational level will be hired at the new minimum rates.

As of the effective date, all agencies will process a pay adjustment to increase the pay of employees on the rolls in the affected occupational levels. An employee who immediately prior to the effective date was receiving basic compensation at one of the statutory rates shall receive basic compensation at the corresponding numberd rate authorized by this notice on or after such date. The pay adjustment will not be considered an equivalent increase within the meaning of 5 U.S.C. 5335.

Under the provisions of section 3-2b, Chapter 571, FPM, agencies may pay the travel and transportation expenses to first post of duty under 5 U.S.C. 5723 of new appointees to positions cited.

[SEAL]

UNITED STATES CIVIL SERVICE COMMISSION,
JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 71-45; Filed, Jan. 4, 1971; 8:47 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Dockets Nos. 18845–18849; FCC 70R–449]

LAMAR LIFE BROADCASTING CO. ET AL.

Memorandum Opinion and Order Enlarging Issues

In regard applications of Lamar Life Broadcasting Co., Jackson, Miss., Docket No. 18845, Files Nos. BPCT–4320, BRCT–326; Civic Communications Corp., Jackson, Miss., Docket No. 18846, File No. BPCT–4305; Dixie National Broadcasting Corp., Jackson, Miss., Docket No. 18847, File No. BPCT–4317; Jackson Television, Inc., Jackson, Miss., Docket No. 18848, File No. BPCT–4318; and Channel 3, Inc., Jackson, Miss., Docket No. 18849, File No. BPCT–4319; for a construction permit.

1. Each of the above-captioned mutually exclusive applicants seeks a permit to construct a new commercial television broadcast station to operate on Channel 3 in Jackson, Miss.[1] By Order (FCC 70–462, 25 FCC 2d 101, released May 4, 1970, reconsideration denied 24 FCC 2d 618, released Aug. 3, 1970), the Commission designated the applications for hearing on an air hazard issue against Dixie National Broadcasting Corp. (Dixie), Jackson Television, Inc. (Jackson), and Channel 3, Inc. (Channel 3), and on the standard comparative issue. By Memorandum Opinion and Order, FCC 70R–358, released October 22, 1970, 26 FCC 2d 112, 20 RR 2d 509, the Review Board enlarged the scope of the proceeding by adding limited financial qualifications issues against Civic Communications Corp. (Civic);[2] other requested issues, relating to Civic's financial and character qualifications, were denied. Presently before the Review Board is a joint petition to enlarge issues, filed July 6, 1970, by Dixie, Jackson, and Channel 3, requesting the addition of nine issues relating to the financial and character qualifications of Civic.[3] For the most part, the requested issues arise out of representations made to the Commission by Civic with respect to its financial proposal. Petitioners rely in particular on representations made in Civic's June 16, 1970, opposition to petitions to enlarge issues, filed May 22, 1970, by Dixie, Jackson, and Channel 3, and in an amendment to Civic's application, filed June 17, 1970, and accepted by the Hearing Examiner by Memorandum Opinion and Order, FCC 70M–943, released July 7, 1970.

CIVIC'S FINANCIAL QUALIFICATIONS

2. *Availability of loans.* Petitioners request an inquiry into the availability of loans to Civic from Citizens Investment Co. (Citizens Investment) and Citizens State Bank. In support, petitioners aver that Civic's plan of financing, as amended on June 17, 1970, depends, in part, upon the availability of a $175,000 loan from Citizens Investment, Dickinson, Tex.; and that the availability of this loan is evidenced, in turn, by letters of commitment from Citizens Investment and from the Alvin State Bank, Alvin, Tex.[4] Petitioners contend, however, that the arrangements for placement of collateral made between Alvin State Bank and Citizens Investment have not been specified either in the letter of commitment or in a balance sheet of Citizens Investment submitted for that purpose; therefore, argue petitioners, Civic may not rely upon the availability of the proposed loan from Citizens Investment. Petitioners further maintain that the loan commitment letter from Citizens Investment, and one from Citizens State Bank (Dickinson, Tex.) totaling $725,000, call for assignment of all accounts receivable of Civic's proposed station; however, in petitioners' view, Civic has not shown the manner in which its accounts receivable can be simultaneously assigned to secure both loans.

3. Civic and the Broadcast Bureau oppose addition of the requested issue. Civic notes first that letters of commitment submitted by it limit assignment of accounts receivable "up to the amount of the loan". In Civic's opinion, then, petitioners have not raised a substantial question regarding the ability of Civic to meet the repayment terms of these loans. Civic also contends that the Alvin State Bank has indicated its satisfaction with the collateral to be supplied by Citizens Investment, and that petitioners have shown no reason why the judgment of the bank should be questioned. The Bureau argues that the collateral running between Citizens Investment and the Alvin State Bank is irrelevant to the question of the availability of that loan to Civic; in the Bureau's view, the letters of commitment from the Alvin State Bank and Citizens Investment provide reasonable assurance that a $175,000 loan is available to Civic.

4. The Review Board is of the opinion that an inquiry into the availability of Civic's proposed loan from Citizens Investment is not warranted. In our October 22, 1970, Memorandum Opinion and Order, supra, we held that, "the letters of commitment from Citizens State Bank and Citizens Investment and the sworn affidavit of [Walter G.] Hall [concerning Texas banking practices] provide reasonable assurance of the availability to Civic of a total of $900,000 in bank loans." 26 FCC 2d at 115, 20 RR 2d at 514. Petitioners have alleged no new facts or circumstances which persuade us to depart from this holding. While it is generally true that even a bank loan commitment to a lender of funds to an applicant must disclose the required security, if any, for the loan, Big Chief Broadcasting Co. of Lawton, Inc., 20 FCC 2d 122, 125 n. 6, 17 RR 2d 696, 699 n. 6 (1969), relying upon Viking Television, Inc., 16 FCC 2d 1018, 1021, 15 RR 2d 954, 958 (1969), we have been willing to make exceptions to this disclosure rule where other indicia of security are present. For example, in Big Chief, we declined to add a financial qualifications issue where the language of a line-of-credit letter indicated that a bank was well aware of a lender's financial standing and that a loan "on his signature" would be available. On the other hand, in Viking, we were constrained to add a financial qualifications issue where the letter from the bank did not indicate the security required of the lender for the loan or the bank's satisfaction with the lender's ability to meet security requirements. In the instant case, the statement by the Alvin State Bank that Citizens Investment has arranged "for placement of collateral and other conditions which will enable us to make this

[1] The Commission's June 27, 1968 grant of the application (BRCT–326) of Lamar Life Broadcasting Co. (Lamar), for renewal of license of television broadcast Station WLBT, Channel 3, in Jackson, was reversed and remanded to the Commission on June 20, 1969, by the U.S. Court of Appeals for the District of Columbia Circuit. Office of Communication of the United Church of Christ v. FCC, 425 F. 2d 543, 16 RR 2d 2095, rehearing denied en banc, Sept. 5, 1969, 17 RR 2d 2001. The Court, while not disqualifying Lamar from being a broadcast licensee, directed the Commission to invite the filing of new applications for the channel. By Memorandum Opinion and Order, FCC 70–957, released Sept. 8, 1970, 20 RR 2d 167, the Commission granted the application of Communications Improvement, Inc. to operate on Channel 3 on an interim basis.

[2] The added issues read as follows:

(a) To determine whether Civic Communications Corp. will have available a $300,000 mortgage loan to finance its studio construction, and, if so, the terms, conditions and collateral required in connection therewith; and

(b) To determine whether stock subscribers Walter G. Hall, Weyman H. D. Walker, Mrs. Patricia M. Derian, Hodding Carter III, and Charles Young, of Civic Communications Corp. can meet their respective stock subscription commitments; and

(c) To determine whether, in light of the evidence adduced pursuant to issues (a) and (b), the applicant is financially qualified.

[3] Also before the Board are the following related pleadings: (a) Motion to strike and opposition to joint petition to enlarge issues, filed July 13, 1970, by Civic; (b) comments on the joint petition and on (a), filed July 21, 1970, by the Broadcast Bureau; and (c) joint reply to (a) and (b), filed July 31, 1970, by Dixie, Jackson, and Channel 3. Civic's motion to strike will be denied. The issues requested in the joint petition are largely responsive to points raised for the first time by Civic in pleadings filed with the Commission on or about June 16, 1970. Striking the joint petition on procedural grounds, then, would be inappropriate. Cf. Martin Lake Broadcasting Co., 23 FCC 2d 721 n. 1, 19 RR 2d 277, 278 n. 1 (1970). Furthermore, good cause for the late filing of the petition has been shown, and it will therefore be considered on its merits. Chapman Radio and Television Co., 7 FCC 2d 557, 9 RR 2d 831 (1967).

[4] The letter of commitment from the Alvin State Bank to Civic states:

This is our commitment to loan to Citizens Investment Co. $175,000 for its purpose in loaning that amount to you for use in construction and operation of your proposed television station in Jackson, Miss.

Citizens Investment Co. has made arrangements with us for placement of collateral and other conditions which will enable us to make this commitment.

commitment," clearly demonstrates Alvin State Bank's awareness of Citizen Investment's financial standing, and affords reasonable assurance that the loan to Citizens Investment will be made. Big Chief Broadcasting Co. of Lawton, Inc., supra; cf. Vista Broadcasting Co., 20 FCC 2d 867, 17 RR 2d 1209 (1969). With regard to petitioners' allegation concerning the simultaneous assignment of Civic's accounts receivable, it is noteworthy that each of the letters of commitment specifically limits Civic's pledge of its accounts receivable to the amount of each loan; therefore, there is no inherent contradiction warranting an evidentiary inquiry. Moreover, in light of Walter G. Hall's position in both financial institutions (see paragraph 5 of our prior Memorandum Opinion and Order, supra), there was clearly no attempt to mislead these financial institutions. In view of the foregoing circumstances, the requested general inquiry into the availability of the loans from Citizens Investment and Citizens State Bank will be denied.

5. *Basis of construction costs estimate.* Petitioners allege that Civic, in its June 16, 1970, opposition to Jackson's petition to enlarge issues, has conceded that it does not have available a $300,000 mortgage loan.[6] Petitioners assert that this concession indicates that Civic has given inadequate, if any, consideration to the cost of construction of its studio facilities. For instance, argue petitioners, Civic has submitted no showing of the basis on which studio construction costs were estimated; therefore, an issue is warranted to determine the basis of Civic's estimated costs of construction. Civic and the Broadcast Bureau oppose the requested issue. Civic argues that the burden is on petitioners to show that the proposed facility cannot be constructed for the amount proposed. The Bureau agrees with Civic and cites WPIX, Inc., 22 FCC 2d 960, 18 RR 2d 1196 (1970). In reply, petitioners again argue that Civic may not propose a construction cost estimate that is merely "in the ball park" with those of the other applicants, but that Civic must come forward with its own showing of the basis on which its studio construction costs were estimated.

6. The requested issue will be denied. It is well established that the requirement that an applicant demonstrate its ability to complete construction and to operate the facility for 1 year, as proposed in its application, does not relieve a competing applicant of the obligation to make a proper showing in support of an enlargement petition. Section 1.229(c) of the Commission's Rules; *Home Service Broadcasting Corp.*, 21 FCC 2d 168, 172, 18 RR 2d 63 68 (1970). See WPIX, Inc., supra. Compare National Broadcasting Co., 21 FCC 2d 611, 628–29, 18 RR 2d 381, 400–01 (1970). In this regard, petitioners have made no specific factual allegations whatsoever regarding Civic's studio construction costs; and a speculative assertion premised solely upon Civic's concession is manifestly insufficient, in our opinion, to support addition of the requested issue. See United Television Co., FCC 70R–382, released November 16, 1970, —— FCC 2d ——, 20 RR 2d 741; cf. Harry D. Stephenson and Robert E. Stephenson, 18 FCC 2d 337, 344–46, 16 RR 2d 678, 686–88 (1969). In short, the cost figures specified by Civic for studio construction appear reasonable on their face, and petitioners have not shown that higher cost figures would be more realistic. In any event, a mortgage loan availability issue was added to this proceeding in our prior Memorandum Opinion and Order; that issue provides for an adequate inquiry into the matter (see note 2, supra) and a broader inquiry is not warranted on the basis of petitioners' refurbished allegations.

CIVIC'S CHARACTER QUALIFICATIONS

7. *Representation of the availability of a $300,000 mortgage loan.* Petitioners contend that Civic's concession that it does not have available a $300,000 mortgage loan, when viewed in light of Civic's April 28, 1970, financial amendment to its application, warrants addition of a nondisclosure issue to this proceeding. Petitioners note that, in its April 28 amendment, Civic included an estimate of $60,000 for buildings in a breakdown of funds required for construction and operation of the station. In explanation of the $60,000 estimate, continue petitioners, Civic stated:

> This represents a downpayment of 20 percent on a $300,000 building. Mortgage payments are included in the cost of operation.

Petitioners contend that the foregoing estimate of $60,000 and the quoted language were designed to give the impression that Civic had obtained a $300,000 mortgage loan to finance its studio construction, whereas Civic's concession shows that no such loan had been obtained. The Broadcast Bureau supports the addition of the requested issue. In the Bureau's opinion, Civic's representation was calculated to convey the impression that there was a specific mortgage with a particular plan of retirement and a precise rate of interest. The Bureau further argues that the Commission relied on Civic's representation of the mortgage loan in finding Civic financially qualified; and, the Bureau concludes, the fact that a commitment for such a mortgage was not available to Civic raises a material question with respect to Civic's representation.

8. In opposition, Civic contends that neither the $60,000 estimate for buildings nor the explanatory language noted above implies that Civic had a mortgage loan commitment.[8] Civic therefore characterizes the requested issue as "absurd". In reply, petitioners submit that Civic has had an opportunity in its opposition pleading to explain this matter, but that Civic has chosen to remain silent.

9. The Board is of the view that petitioners have raised a substantial question as to whether Civic has misrepresented to the Commission the availability of the $300,000 mortgage.[7] Cf. Atlantic Video Corp., 17 FCC 2d 571, 16 RR 2d 77 (1969); Marbro Broadcasting Co., 4 FCC 2d 290, 8 RR 2d 51 (1966). Civic's financial qualifications, based on the applicant's own plan of financing, depend on the availability of the $300,000 mortgage loan. Civic, in filling out its application, acted without "reasonable assurance" that it would have available the mortgage loan in question; and, unlike the respondent in Atlantic Video, supra, Civic has failed to offer an adequate explanation of its conduct. In our view, too, Civic had reason to know at the time of filing its application that the Commission would construe the $60,000 estimate for buildings and the explanatory language in support of its estimate to mean that Civic had actually obtained, or was actively in the process of negotiating, a $300,000 mortgage loan to finance its studio construction;[8] in the absence of such an interpretation by the Commission, Civic would have had to demonstrate the availability of in excess of $200,000 in additional funds in order to be found financially qualified. Civic's contention that, because it proposes studio facilities comparable to those of the other applicants, a mortgage loan will be available to it under terms and conditions similar to those obtained by the other applicants, completely ignores the well-established Commission requirement that an applicant must show that he has reasonable assurance of the availability of funds relied on, i.e., he must submit a verified copy of a bank "letter of commitment" showing the amount of the loan, the terms of repayment, if any, and the security, if any.[9] See our prior Memorandum

[6] See paragraph 3 of the Board's Memorandum Opinion and Order, FCC 70–R358, supra, 26 FCC 2d at 113, 20 RR 2d at 512.

[6] Earlier, in its June 16, 1970, opposition, Civic had asserted that because it proposed studio facilities comparable to those of the other applicants, a mortgage loan will be available to it under terms and conditions similar to those obtained by the other applicants.

[7] Petitioners request the addition of a "nondisclosure" issue; however, in our opinion, the allegations more properly concern "misrepresentation".

[8] In this connection, the following language from the explanation prefacing the questions in section III of Form 301 (Financial Qualifications of Broadcast Applicants) is significant:

> The Commission is seeking in the questions that follow information as to contracts and arrangements now in existence, as well as any arrangements or negotiations, written or oral, which relate to the present or future financing of the station; the questions must be answered in the light of this instruction.

[9] The logical extension of Civic's position would be that an applicant in a multiparty (comparative) proceeding need not establish his basic qualifications if a competing applicant establishes his. That this position is directly contrary to the Communications Act of 1934, as amended, and to the Commission's rules is obvious. Section 308(b) of the Communications Act; Integrated Communications Systems Inc. of Massachusetts (WREP), 25 FCC 2d 909, 20 RR 2d 290 (1970). Cf. Marbro Broadcasting, supra, where the Board held that if an applicant specifies a site in its application, and does not contact the owner of that site to inquire as to its availability until after the application is

Opinion and Order, FCC 70R-358, supra, paragraph 4, 26 FCC 2d at 113, 20 RR 2d at 512; Connecticut Coast Broadcasting Co., 7 FCC 2d 438, 442, 9 RR 2d 839, 844 (1967); Tri-City Broadcasting Co., 35 FCC 364, 1 RR 2d 81 (1963). In short, Civic's contention disregards the well-established statutory requirement that an applicant must establish his financial qualifications in order to be considered eligible for a broadcast license. Integrated Communications Systems, Inc. of Massachusetts (WREP), supra, note 9. An appropriate misrepresentation issue will therefore be added.

11. Civic's June 17, 1970, financial amendment. Petitioners aver that Civic's June 17 petition for leave to amend its application—to show a loan commitment of $725,000 from Citizens State Bank and one of $175,000 from Citizens Investment—stated that it was filed in response to Channel 3's and Dixie's May 22 petitions to enlarge issues; however, petitioners argue, the reexecuted letters are all dated May 15, 1970, and thus predate those petitions. Petitioners allege that this fact raises a serious question as to whether Civic has failed to disclose its revised financing in the hope that it would not be challenged. Petitioners further allege that this matter also warrants the addition of a Rule 1.65 issue because Civic waited 33 days to report to the Commission a significant change in its plan of financing.

12. In opposition to the requested nondisclosure and Rule 1.65 issues, Civic urges that its June 17 amendment does not significantly change its financial proposal, but merely demonstrates the method by which the $900,000 loan commitment from Citizens State Bank (which Civic originally had represented in an April 6 amendment was available to it) would be obtained in conformity with Texas banking laws and practice. The Bureau does not agree that Civic's change in "method" is outside the ambit of Rule 1.65; however, the Bureau avers that since the change was in fact reported, albeit 3 days late, the issue should not be added.

13. The requested issues will be denied. In our previous Memorandum Opinion and Order, supra, we accepted Civic's representation that its June 17 amendment is a demonstration of the method by which it had intended as of April 6 to obtain its proposed $900,000 bank loan from Citizens State Bank. FCC 70R-358, paragraph 6, 26 FCC 2d at 115, 20 RR 2d at 514. It is the Board's opinion that Civic's June 17 amendment does not involve a change in Civic's financial qualifications (i.e., it still has "reasonable assurance" of the availability of a total of $900,000 in bank loans); however, the June 17 amendment does involve a substantial change in the factual basis on which that conclusion rests. Prior to the amendment, the factual basis was a $900,000 loan commitment letter from one bank, Citizens State Bank; thereafter, the underlying support for the loan was loan commitment letters totaling $900,000 from Citizens State Bank and Citizens Investment. In addition, other Texas banks, heretofore undisclosed, would participate in the loan in accordance with Texas banking practice. We have held that where the factual bases of a proposal have substantially changed after filing of an application—even though the legal conclusion arising therefrom arguably remains constant—the change in factual bases should be reported pursuant to Rule 1.65. Media, Inc., 23 FCC 2d 729, 732, 19 RR 2d 268, 272 (1970). However, we believe that the instant situation does not fall within the purview of our holding in Media. We have not previously required that an applicant also submit letters of commitment from participating banks. See TVue Associates, Inc.[10] In addition, Civic has explained in its June 16 opposition that it relied upon our action in TVue in specifying its bank loan commitment.[11] In our opinion, Civic's reliance upon TVue was entirely reasonable and in good faith; and, in light of this circumstance, our holding in Media is inapposite. Furthermore, in our opinion, a nondisclosure issue relating to the isolated fact that the reexecuted loan commitment letters predate Channel 3's and Dixie's petitions is not warranted. The letters are merely evidence of Civic's April 6 plan of financing, and that plan was fully disclosed to the Commission in a manner consistent with Commission precedent.

14. *Walter G. Hall's participation in Civic affairs.* Petitioners allege that Walter G. Hall, a director and 18.1 percent stockholder of Civic, on April 3, 1970, committed Citizens State Bank to lend Civic $900,000 in return for assignment of accounts receivable of Civic's proposed station up to the amount of the loan. Petitioners aver that Hall has admitted in an affidavit dated June 15, that the April 3 bank loan commitment to Civic, signed by him, exceeded the amount that Texas statutory law allows to a single borrower, and that Hall has conceded, in an affidavit dated June 18, that he had not obtained approval from the bank's Board of Directors to make the commitment, which (petitioners allege) he, as a principal of the bank and of Civic, was required by Texas law to do. Petitioners argue that Hall's sworn disclosures indicate that, on April 3, Hall misrepresented his ability to issue a $900,000 bank loan commitment upon which Civic relies to meet expenses of construction and operation of its proposed facilities. Petitioners also argue that the April 3 loan commitment to Civic contemplates a violation of Texas State law in that the Alvin State Bank, which has a legal lending limit of $180,000 to a single borrower, proposes to lend Civic, a total of $355,000 ($175,000 through Citizens Investment plus a $180,000 direct loan); and, finally, that Hall's ability to claim assignment of Civic's accounts receivable up to the amount of the loan should the Civic application be granted warrants a real party-in-interest issue.

15. The Board is of the opinion that petitioners have failed to allege facts or circumstances not before us when similar requested issues were denied in our October 22, 1970, Memorandum Opinion and Order, supra. There, in declining to add a financial qualifications issue, we expressly relied upon Hall's representation, in his aforementioned affidavits, that his conduct in making the April 3 loan commitment to Civic was entirely consistent with established banking practice in Texas. Paragraph 6, FCC 70R-358, 26 FCC 2d at 115, 20 RR 2d at 514. In our view, petitioners have excerpted Hall's admission and his concession from the context of his overall representation concerning Texas banking practice. We therefore believe that, in the absence of a substantial challenge to Hall's overall representation, petitioners' requested misrepresentation issues are unwarranted. Similarly, we believe that, for reasons already stated in our Memorandum Opinion and Order, supra, a character qualifications issue relating to the loan commitments from the Alvin State Bank and a real party-in-interest issue relating to Hall's alleged ability to claim assignment of Civic's accounts receivable are not warranted. Paragraphs 6 and 15, 26 FCC 2d at 115 and 121, 20 RR 2d at 514 and 521, respectively.

16. *Accordingly, it is ordered,* That the motion to strike, filed July 13, 1970, by Civic Communications Corp., is denied; and

17. *It is further ordered,* That the joint petition to enlarge issues, filed July 6, 1970, by Dixie National Broadcasting Corp., Jackson Television, Inc., and Channel 3, Inc. is granted to the extent indicated below, and is denied in all other respects; and

18. *It is further ordered,* That the issues in this proceeding are enlarged by the addition of the following issue:

To determine whether Civic Communications Corp. has misrepresented to the Commission the availability of a $300,000 mortgage loan, and, if so, whether such conduct reflects adversely on Civic Communications Corp.'s basic and/or comparative qualifications to be a Commission licensee.

filed, the addition of a character qualifications issue is warranted. 4 FCC 2d at 292, 8 RR 2d at 54. See also Radio Antilles, Inc., FCC 70R-259, released July 27, 1970, 19 RR 2d 802.

[10] 5 FCC 2d 419, 8 RR 2d 864 (1966). In this regard, see also Cherokee Broadcasting Co., 8 FCC 2d 138, 9 RR 2d 1277 (1967); and our Memorandum Opinion and Order, supra, 26 FCC 2d at 115, n. 9, 20 RR 2d at 515, n. 9.

[11] In TVue, where two principals of Civic were also involved, an applicant submitted a $700,000 loan commitment letter from Citizens State Bank. Petitioner argued that the amount exceeded Texas statutory authority and, therefore, that the bank could not make the loan. In refutation, respondent pointed to a Texas banking practice whereby statutory compliance is accomplished and the loan is available because other Texas banks are expected to participate in the loan when it is "taken down". We accepted respondent's refutation and held that the bank had made a valid $700,000 loan commitment. We relied upon TVue in our Memorandum Opinion and Order, supra, 26 FCC 2d at 115, 20 RR 2d at 514, to find that Civic has available a $900,000 bank loan commitment.

19. *It is further ordered,* That the burden of proceeding with the introduction of evidence under the issue added herein will be on Dixie National Broadcasting Corp., Jackson Television, Inc., and Channel 3, Inc., and the burden of proof will be on Civic Communications Corp.

Adopted: December 21, 1970.

Released: December 24, 1970.

FEDERAL COMMUNICATIONS COMMISSION,[12]
[SEAL] BEN F. WAPLE,
Secretary.

[12] Board Member Berkemeyer not participating.

[F.R. Doc. 71-38; Filed, Jan. 4, 1971; 8:47 a.m.]

FEDERAL MARITIME COMMISSION

AMERICAN WEST AFRICAN FREIGHT CONFERENCE

Notice of Agreement Filed

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of agreement filed by:

John K. Cunningham, Chairman, American West African Freight Conference, 67 Broad Street, New York, N.Y. 10004.

Agreement No. 7680-30, among the member lines of the American West African Freight Conference, will revise the conference agreement by updating the terms of its self-policing provisions to include language required by the Commission's General Order 7 (Revised).

Dated: December 30, 1970.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Secretary.

[F.R. Doc. 71-73; Filed, Jan. 4, 1971; 8:49 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-6311, etc.]

AMERADA HESS CORP. ET AL.

Notice of Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates [1]

DECEMBER 22, 1970.

Take notice that each of the applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Any person desiring to be heard or to make any protest with reference to said applications should on or before January 18, 1971, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure a hearing will be held without further notice before the Commission on all applications in which no petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[1] This notice does not provide for consolidation for hearing of the several matters covered herein.

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pressure base
G-6311 D 11-19-70	Amerada Hess Corp. (Operator) et al., Post Office Box 2040, Tulsa, OK 74102 (partial abandonment).	Northern Natural Gas Co., Monument Field, Lea County, N. Mex.	(1)	.....
G-11952 D 12-2-70	Mobil Oil Corp., Post Office Box 1774, Houston, TX 77001.	United Gas Pipe Line Co., acreage in Karnes County, Tex.	(2)	.....
G-12004 D 8-19-69	Mobil Oil Corp. (Operator) et al.	Transcontinental Gas Pipe Line Corp., West Gueydan Field, Vermilion Parish, La.	Uneconomical	.....
G-12910 D 10-19-70	Continental Oil Co. (Operator) et al., Post Office Box 2197, Houston, TX 77001.	Cities Service Gas Co., acreage in Alfalfa County, Okla.	Depleted	.....
G-13633 D 11-10-70	Pennzoil Producing Co. (Operator) et al., 900 Southwest Tower, Houston, TX 77002 (partial abandonment).	United Gas Pipe Line Co., Monroe Field, Ouachita, Union and Morehouse Parishes, La.	Uneconomical	.....
G-15424 C 10-29-70 as amended 12-10-70	Sun Oil Co., Post Office Box 2880, Dallas, TX 75221.	West Lake Natural Gasoline Co., South Lake Trammell and Nena Lucia Fields, Nolan County, Tex.	[3] 9.5	14.65
G-17113 C 9-10-70 [4]	Skelly Oil Co., Post Office Box 1650, Tulsa, OK 74102.	Cities Service Gas Co., acreage in Texas County, Okla.	20.0	14.65
CI61-1719 E 11-23-70	Macpet (successor to William L. McKnight, d.b.a. Arrowhead Exploration Co.), 3700 Greenway Plaza Drive, Suite 425, Houston, TX 77027.	El Paso Natural Gas Co., acreage in Ochiltree County, Tex.	26.1138	14.65
CI62-833 C 11-16-70	Chevron Oil Co., Western Division, Post Office Box 599, Denver, CO 80201.	Lone Star Gas Co., Durant East Field, Bryan County, Okla.	17.90	14.65
CI66-536 10-28-70 [5]	Texaco Inc. (Operator) et al., Post Office Box 52332, Houston, TX 77052.	Columbia Gulf Transmission Co., West Gueydan Field, Vermilion Parish, La.	18.7995	15.025

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.

See footnotes at end of table.

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pressure base
CI66-956 E 10-28-70	Clark Oil Producing Co. (successor to Clark Oil & Refining Corp.), 2626 Humble Bldg., 800 Bell Avenue, Houston, TX 77002.	Mountain Fuel Supply Co., Ace Unit Area, Moffat County, Colo.	13.0	15.025
CI67-385 E 11-12-70	Texas Oil & Gas Corp. (successor to Atlantic Richfield Co.), 2700 Fidelity Union Tower Bldg., Dallas, TX 75201.	El Paso Natural Gas Co., North Cox Field, Crockett County, Tex.	[6] 17.0638	14.65
CI67-822 C 11-13-70	Texas Pacific Oil Co., Inc., 1700 One Main Place, Dallas, TX 75250.	Southern Union Gathering Co., Basin Dakota Field, San Juan County, N. Mex.	[7] 13.0	15.025
CI68-498 C 11-16-70 [8]	Cabot Corp., Post Office Box 1101, Pampa, TX 79065.	United Gas Pipe Line Co., Block 773, Mustang Island Area, Nueces County, Tex.	[9] 17.0	14.65
CI68-512 E 11-17-70	Bradley H. Keyes (successor to George E. Willett), Post Office Box 842, Aztec NM 87410.	El Paso Natural Gas Co., Pinon Fruitland Field, San Juan County, N. Mex.	13.0	15.025
CI69-269 C 11-27-70	Spartan Gas Co., Post Office Box 766, Charleston, WV 25323.	United Fuel Gas Co., Poca District, Kanawha County, W. Va.	28.0	15.325
CI69-678 E 11-16-70	L. S. Benge (successor to William M. Wiseman), Post Office Box 276, Goliad, TX 77963.	Trunkline Gas Co., Maetze Field, Goliad County, Tex.	16.0	14.65
CI70-298 C 11-4-70	Lyons Petroleum, 1500 Beck Bldg., Shreveport, LA 71101.	United Gas Pipe Line Co., Houma Field, Terrebonne Parish, La.	18.5	15.025
CI70-915 C 12-1-70	Eason Oil Co., Post Office Box 18755, Oklahoma City, OK 73118.	Arkansas Louisiana Gas Co., Kinta Field, Pittsburg County, Okla.	15.0	14.65
CI71-71 (CI61-396) F 7-28-70 [10]	Texas Oil & Gas Corp. (Operator) (successor to Midwest Oil Corp.), 2700 Fidelity Union Tower, Dallas, TX 75201.	Michigan Wisconsin Pipe Line Co., Laverne Field, Harper County, Okla.	18.5	14.65
CI71-284 A 9-30-70 [11]	Commonwealth Gas Corp., 801 Union Bldg., Charleston, WV 25325.	United Fuel Gas Co., Grant District, Jackson County, W. Va.	32.0	15.325
CI71-349 (G-6124) F 10-14-70	Garfield Gas Gathering Co. (successor to Harper Oil Co.), c/o Walker P. Sandlin, attorney, 722 Southwest 22d, Oklahoma City, OK 73109.	Cities Service Gas Co., Acreage in Oklahoma County, Okla.	12.0	14.65
CI71-377 (CI64-1138) F 10-27-70 as amended 11-13-70	Getty Oil Co. (successor to Texaco Inc. (Operator), et al.), Post Office Box 1404, Houston, TX 77001.	El Paso Natural Gas Co., Fuller Gasoline Plant, Scurry County, Tex.	[12] 18.1553	14.65
CI71-383 (CI61-659) F 10-29-70 [13]	Three S & T Oil Co., Inc. (successor to Mobil Oil Corp.), c/o Jack C. Caldwell, attorney, Post Office Box 592, Franklin, LA 70538.	Transcontinental Gas Pipe Line Corp., Lucy Field, St. Charles and St. John the Baptist Parishes, La.	20.625	15.025
CI71-410 A 11-12-70	Rose F. Wilson, 810 Southeast Second Avenue, Aledo, IL 61231.	El Paso Natural Gas Co., Ballard Field, San Juan County, N. Mex.	10.0	15.025
CI71-411 A 11-16-70	Texaco Inc., Post Office Box 60252, New Orleans, LA 70160.	Tennessee Gas Pipeline Co., a division of Tenneco Inc., Block 176 Field, Ship Shoal Area, Offshore La.	27.5	15.025
CI71-412 B 11-16-70	E. G. Rodman, Post Office Box 3826, Odessa, TX 79760.	Northern Natural Gas Co., Harmon Field, Woodward County, Okla.	Depleted	
CI71-413 B 11-16-70	Union Oil Co. of California, Union Oil Center, Los Angeles, CA 90017.	Cities Service Gas Co., Sterling Field, Comanche County, Okla.	Uneconomical	
CI71-414 A 11-17-70	The Louisiana Land and Exploration Co., 225 Baronne Street, Post Office Box 60350, New Orleans, LA 70160.	Florida Gas Transmission Co., Jay Field, Santa Rosa County, Fla.	30.0	14.65
CI71-415 B 11-17-70	Texas Gas Exploration Corp., 111 First City National Bank Bldg., Houston, TX 77052.	Texas Gas Transmission Corp., Graham Gas Field, Muhlenberg County, Ky.	[14]	
CI71-416 B 11-17-70	Sun Oil Co., Post Office Box 2880, Dallas, TX 75221.	United Fuel Gas Co., Northeast Rayne Field, Acadia Parish, La.	Depleted	
CI71-417 B 11-18-70	Josaline Production Co. (Operator) et al., c/o Monnett, Hayes, Bullis, Grubb & Thompson, attorneys, 1719 First National Bldg., Oklahoma City, OK 73102.	Lone Star Gas Co., Sholem Alechem Field, Carter County, Okla.	Depleted	
CI71-419 (CI63-1040) F 11-12-70	Consolidated Production Corp. (Operator) et al. (successor to R. J. Caraway (Operator) et al.), Suite 510, Hightower Bldg., Oklahoma City, OK 73102.	Arkansas Louisiana Gas Co., Manziel Field, Wood County, Tex.	13.4426	14.65
CI71-420 (CI67-1772) F 11-13-70	Consolidated Production Corp. (Operator) et al. (successor to Texota Oil Co. (Operator) et al.).	Arkansas Louisiana Gas Co., acreage in Le Flore County, Okla.	15.0	14.65
CI71-421 A 11-19-70	Pan American Petroleum Corp., Post Office Box 591, Tulsa, OK 74102.	Gas Gathering Corp., Section 28, Dome Field, St. Martin Parish, La.	25.0	15.025
CI71-422 A 11-19-70	Cabot Corp. (Operator) et al., Post Office Box 1101, Pampa, TX 79065.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Mocane Field, Beaver County, Okla.	[15] 18.5	14.65
CI71-423 A 11-19-70	Dewey W. Waters and Victor Waters, The First National Bank, agent, Prestonburg, KY 41653.	United Fuel Gas Co., acreage in Floyd County, Ky.	27.0	15.325
CI71-424 A 11-19-70	Kenmore Oil Co., Inc. (Operator) et al., 526 Whitney Bldg., New Orleans, LA 70130.	Florida Gas Transmission Co., West Addis Field, Ibarville Parish, La.	25.0	15.025
CI71-425 A 11-19-70	Pan American Petroleum Corp.	Panhandle Eastern Pipe Line Co., Richfield Field, Morton County, Kans.	[16] 17.5	14.65
CI71-426 (CI70-1078) F 11-16-70	Dugan Production Corp. (successor to Skelly Oil Co.), Post Office Box 234, Farmington, NM 87401.	Southern Union Gathering Co., Aztec-Pictured Cliffs Field, San Juan County, N. Mex.	[17] 13.0551	15.025
CI71-427 (G-17559) F 11-16-70	do	El Paso Natural Gas Co., San Juan Basin, San Juan and Rio Arriba Countries, N. Mex.	[18] 14.0593	15.025
CI71-428 (G-5317) F 11-16-70	do	El Paso Natural Gas Co., Fulcher-Kutz, Ballard, Gavilan and South Blanco Fields, San Juan and Rio Arriba Counties, N. Mex.	[19] 13.0551	15.025
CI71-429 (CI65-404) F 11-16-70	do	El Paso Natural Gas Co., Dakota Formation, San Juan County, N. Mex.	[20] 14.0	15.025
CI71-430 (G-17460) F 11-16-70	do	El Paso Natural Gas Co., Ignacio-Blanco Field, La Plata County, Colo.	[21] 14.0	15.025
CI71-431 (G-10995) F 11-16-70	do	El Paso Natural Gas Co., Ignacio-Blanco and South Blanco Fields, Rio Arriba County, N. Mex. and La Plata County, Colo.	[22] 15.0634	15.025
CI71-432 (G-17548) F 11-16-70	do	El Paso Natural Gas Co., Gavilan, South Blanco, Ballard and Aztec Fields, San Juan and Rio Arriba Counties, N. Mex.	[19] 13.0551	15.025
CI71-433 A 11-16-70	Claude Smith et al., Post Office Box 234, Farmington, NM 87401.	Southern Union Gathering Co., Fulcher Kutz Field, Pictured Cliffs Formation, San Juan County, N. Mex.	13.0551	15.025
CI71-434 B 11-20-70	Herbert J. Schmitz	The Manufacturers Light and Heat Co., Luthersburg Field, Clearfield County, Pa.	Depleted	
CI71-435 A 11-20-70	Cities Service Oil Co., Post Office Box 300, Tulsa, OK 74102.	El Paso Natural Gas Co., Campbell State No. 1 Well, Reeves County, Tex.	[18] 26.5	14.65
CI71-436 B 11-20-70	Cabot Corp	El Paso Natural Gas Co., The X Bar (Canyon) Field, Schleicher County, Tex.	Depleted	
CI71-437 B 11-20-70	Sun Oil Co	Tennessee Gas Pipe Line Co., a divison of Tenneco Inc., El Panal Field, Starr County, Tex.	Depleted	
CI71-438 A 11-23-70	Texaco Inc	National Gas Pipeline Co. of America, Balko Field, Beaver County, Okla.	20.0	14.65
CI71-439 A 11-23-70	Getty Oil Co	Tennessee Gas Pipeline Co., a division of Tenneco Inc., Grand Isle, Southwest quarter Block 63, Offshore Lafourche and Jefferson Parishes, La.	27.5	15.025

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pressure base
CI71-440 A 11-23-70	Atlantic Richfield Co., Post Office Box 2819, Dallas, TX 75221.	Natural Gas Pipeline Co. of America, Worsham Bayer Field, Reeves County, Tex.	[12] 27.0	14.65
CI71-441 A 11-27-70	Sohio Petroleum Co., 970 First National Office Bldg., Oklahoma City, OK 73102.	Panhandle Eastern Pipe Line Co., Northeast Keenan Field, Woodward County, Okla.	[13] 22.0	14.65
CI71-442 A 11-27-70	do	do	[13] 22.0	14.65
CI71-443 A 11-27-70	Tenneco Oil Co., Post Office Box 2511, Houston, TX 77001.	Montana-Dakota Utilities Co., Slick Creek Unit Area, Washakie County, Wyo.	15.384	15.025
CI71-444 A 11-27-70	Continental Oil Co., Post Office Box 2197, Houston, TX 77001.	Tennessee Gas Pipeline Co., a division of Tenneco Inc., Grand Isle Block 63 (SW/4), Offshore La.	27.5	15.025
CI71-445 A 11-30-70	Oil and Gas Futures, Inc. of Texas (Operator), 2200 South Post Oak Road, Houston, TX 77027.	Transcontinental Gas Pipe Line Corp., Acreage in Terrebonne Parish, La.	20.0	15.025
CI71-446 A 12-1-70	Pan American Petroleum Corp.	Transcontinental Gas Pipe Line Corp., Luby and Petronilla Fields, Nueces County, Tex.	[23] 16.0	14.65
CI71-447 A 12-2-70	Shenandoah Oil Corp. (Operator) et al., 1500 Commerce Bldg., Fort Worth, TX 76102.	Northern Natural Gas Co., acreage in Ellis County, Okla.	[15] 23.5	14.65
CI71-448 A 12-2-70	The Fundamental Oil Corp. (Operator) et al., 1900 One Main Place, Dallas, TX 75250.	United Gas Pipe Line Co., Southeast Houma Field, Terrebonne Parish, La.	21.5	15.025
CI71-449 B 11-30-70	Sun Oil Co.	United Gas Pipe Line Co., East Gibson Field, Terrebonne Parish, La.	Depleted	
CI71-450 (G-4846) F 12-2-70	Dakota Mining & Development Corp. (successor to Alvin Wilson), Post Office Box 449, Carthage, TX 75633.	Tennessee Gas Pipeline Co., a division of Tenneco Inc., Bethany Field, Panola County, Tex.	[24] 15.05625	14.65
CI71-451 A 12-3-70	Atlantic Richfield Co.	Natural Gas Pipeline Co., of America, Haley Unit, Evetts Field, Winkler and Loving Counties, Tex.	[12] 27.0	14.65
CI71-452 A 11-30-70	Har-Ken Oil Co., Post Office Box 616, Owensboro, KY 42301.	Texas Gas Transmission Corp., St. Charles Field, Hopkins County, Ky.	15.0	15.025

[1] Partially abandons service due to decline in pressure.
[2] Deletes nonproductive leases.
[3] Rate in effect subject to refund in Docket No. RI70-52.
[4] Application previously noticed Oct. 6, 1970, in Docket No. G-3647, et al., at a rate of 17 cents per Mcf. By letter filed Dec. 10, 1970, applicant amended its application to reflect a rate of 20 cents per Mcf in lieu of 17 cents, pursuant to Opinion No. 586.
[5] Application to amend certificate to include the interest of W. E. Walker et al., in the Zwan RA Sand Unit "A" and the Zwan RA Sand Unit "B" created by Louisiana Department of Conservation.
[6] By motion filed Dec. 10, 1970, applicant requests that this rate be made effective subject to refund in Docket No. RI69-787.
[7] Base price is 15.2869 cents per Mcf; however, applicant states its willingness to accept certificate at the rate of 13 cents per Mcf.
[8] Application to amend certificate to include the interest acquired from Texas Gas Exploration Corp., et al.
[9] Rate in effect subject to refund in Docket No. RI70-144.
[10] Application previously noticed Aug. 19, 1970, in Docket No. G-9963 et al., at a rate of 17 cents per Mcf. By letter filed Dec. 9, 1970, applicant requested certificate at 18.5 cents per Mcf, area ceiling rate prescribed by Opinion No. 586.
[11] Application previously noticed Oct. 15, 1970, in Docket No. G-6061 et al., at a rate of 30 cents per Mcf. By amendment filed Nov. 18, 1970, applicant amended its application to provide for area ceiling rate of 32 cents per Mcf.
[12] Rate in effect subject to refund in Docket No. RI70-201. Also subject to orders in Dockets Nos. RI68-458 and RI68-461.
[13] Application previously noticed Dec. 3, 1970, in Docket No. G-5716, et al., at a rate of 18.5 cents per Mcf. Applicant filed revised contract summary to reflect a rate of 20.625 cents per Mcf in lieu of 18.5 cents.
[14] Conveyed interest to Texas Gas Transmission Corp.
[15] Subject to upward and downward B.t.u. adjustment.
[16] Contract price is 22 cents per Mcf; however, Applicant requests certificate at 17.5 cents per Mcf for casinghead gas, as prescribed by Opinion No. 586.
[17] Rate in effect subject to refund in Docket No. RI71-177.
[18] Rate in effect subject to refund in Docket No. RI69-362.
[19] Rate in effect subject to refund in Docket No. RI69-389.
[20] Rate in effect subject to refund in Docket No. RI70-19.
[21] Rate in effect subject to refund in Docket No. RI69-362.
[22] For gas delivered at 500 p.s.i.g. in New Mexico; rate shall be 13.0551 cents per Mcf for gas delivered at 250 p.s.i.g. in New Mexico; and 15 cents per Mcf for gas delivered in Colorado. Rates in effect subject to refund in Docket No. RI69-389.
[23] Contract provides for rate of 25 cents per Mcf; however, Applicant agrees to accept certificate at 16 cents per Mcf.
[24] Rate in effect subject to refund in Docket No. RI70-685.

[F.R. Doc. 71-2; Filed, Jan. 4, 1971; 8:45 a.m.]

[Docket No. G-4820, etc.]

TEXACO, INC., ET AL.

Findings and Order After Statutory Hearing

DECEMBER 21, 1970.

Findings and order after statutory hearing issuing certificates of public convenience and necessity, canceling docket numbers, amending orders issuing certificates, permitting and approving abandonment of service, terminating certificates, severing and terminating proceedings, substituting respondent, making successors co-respondents, redesignating proceedings, accepting agreements and undertakings for filing, requiring filing of agreement and undertaking, and accepting related rate schedules and supplements for filing.

Each of the applicants listed herein has filed an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale and delivery of natural gas in interstate commerce or for permission and approval to abandon service or a petition to amend an order issuing a certificate, all as more fully set forth in the applications and petitions, as supplemented and amended.

Applicants have filed related FPC gas rate schedules or supplements thereto and propose to initiate, abandon, add to or discontinue in part natural gas service in interstate commerce as indicated in the tabulation herein. All sales certificated herein are at rates either equal to or below the ceiling prices established by the Commission's statement of general policy No. 61-1, as amended, or involve sales for which permanent certificates have been previously issued; except that initial sales from areas for which area rates have been determined are authorized to be made at or below the applicable area base rates adjusted for quality of the gas, and under the conditions prescribed in the orders determining said rates.

Marine Properties, Inc., applicant in Docket No. G-10833, proposes to continue the sale of natural gas heretofore authorized in said docket to be made by H. T. Shalett pursuant to H. T. Shalett and David Crow FPC Gas Rate Schedule No. 1. Said rate schedule will be redesignated as that of Marine Properties, Inc. et al. The presently effective rate under the subject rate schedule is in effect subject to refund in Docket No. RI67-112, and applicant has filed a motion to be substituted in lieu of H. T. Shalett as co-respondent together with an agreement and undertaking to assure the refund of all amounts collected in excess of the amount determined to be just and reasonable in said proceeding. Therefore, applicant will be substituted as co-respondent; the proceeding will be redesignated accordingly; and the agreement and undertaking will be accepted for filing.

Clinton Oil Co. (Operator) et al., as applicant in Docket No. CI60-66 proposes to continue in toto the sale of natural gas heretofore authorized in said docket to be made pursuant to Humble Oil & Refining Co. FPC Gas Rate Schedule No. 250 and, as applicant in Dockets Nos. CI71-129 and CI71-130, proposes to continue in part sales of natural gas heretofore authorized in Dockets Nos. G-17008 and G-11033, respectively, to be made pursuant to Humble Oil & Refining Co. (Operator) et al., FPC Gas Rate Schedules Nos. 144 and 118, respectively. Humble's FPC Gas Rate Schedule No. 250 will be redesignated as that of applicant and the contracts comprising Humble's FPC Gas Rate Sched-

ules Nos. 118 and 144 will also be accepted for filing as rate schedules of applicant. The present rate under Humble's FPC Gas Rate Schedule No. 250 is in effect subject to refund in Docket No. RI70–870 and the present rate under Humble's FPC Gas Rate Schedules Nos. 118 and 144 is in effect subject to refund in Docket No. RI70–869. Therefore, applicant will be made co-respondent in said proceedings and the proceedings will be redesignated accordingly. Applicant has heretofore filed a general undertaking to assure the refund of amounts collected in excess of amounts determined to be just and reasonable in proceedings under section 4(e) of the Natural Gas Act.

Alfred C. Glassell, Jr., as applicant in Docket No. CI71–149, proposes to continue in part the sale of natural gas heretofore authorized in Docket No. CI65–630 to be made pursuant to Continental Oil Co. FPC Gas Rate Schedule No. 292 and, Alfred C. Glassell, Jr. (Operator) et al., as applicant in Docket No. G–6947, proposes to continue in toto the sale of natural gas heretofore authorized in said docket to be made pursuant to Continental Oil Co. (Operator) et al., FPC Gas Rate Schedule No. 82. Continental's FPC Gas Rate Schedule No. 82 will be redesignated as a rate schedule of applicant and the contract comprising Continental's FPC Gas Rate Schedule No. 292 will also be accepted for filing as a rate schedule of applicant. The present rates under Continental's FPC Gas Rate Schedules Nos. 82 and 292 are in effect subject to refund in Dockets Nos. RI70–440 and RI70–439, respectively. Applicant has filed a motion to be made co-respondent in said proceedings, together with an agreement and undertaking to assure the refund of any amounts collected by him in excess of the amount determined to be just and reasonable in said proceedings. Therefore, applicant will be made co-respondent; the proceedings will be redesignated accordingly; and the agreement and undertaking will be accepted for filing.

John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1, Applicants in Docket No. CI71–176, propose to continue in part the sale of natural gas heretofore authorized in Docket No. G–5303 to be made pursuant to Skelly Oil Co. FPC Gas Rate Schedule No. 36. The contract comprising said rate schedule will also be accepted for filing as a rate schedule of applicants. The present rate under Skelly's rate schedule is in effect subject to refund in Docket No. RI69–130. Therefore, applicants will be made co-respondents in said proceeding; the proceeding will be redesignated accordingly; and applicants will be required to file an agreement and undertaking to assure the refund of any amounts collected by them in excess of the amount determined to be just and reasonable in said proceeding.

The Commission's staff has reviewed each application and recommends each action ordered as consistent with all substantive Commission policies and required by the public convenience and necessity.

After due notice by publication in the FEDERAL REGISTER, a notice of intervention by The People of The State of California and The Public Utilities Commission of the State of California was filed in Docket No. CI67–1847. Said intervention has been withdrawn. El Paso Natural Gas Company filed a petition to intervene in Docket No. CI70–48, but by letter filed November 30, 1970, indicates that it has no objection to issuance of authorization for the sale from additional acreage subject to refund in Docket No. RI69–374. No other petitions to intervene, notices of intervention or protests to the granting of the applications have been filed.

At a hearing held on December 17, 1970, the Commission on its own motion received and made a part of the record in this proceeding all evidence, including the applications and petitions, as supplemented and amended, and exhibits thereto, submitted in support of the authorizations sought herein, and upon consideration of the record.

The Commission finds:

(1) Each applicant herein is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission or will be engaged in the sale of natural gas in interstate commerce for resale for ultimate public consumption, subject to the jurisdiction of the Commission, and will, therefore, be a "natural-gas company" within the meaning of the Natural Gas Act upon the commencement of service under the authorizations hereinafter granted.

(2) The sales of natural gas hereinbefore described, as more fully described in the applications in this proceeding, will be made in interstate commerce subject to the jurisdiction of the Commission; and such sales by applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(3) Applicants are able and willing properly to do the acts and to perform the service proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules and regulations of the Commission thereunder.

(4) The sales of natural gas by applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are required by the public convenience and necessity and certificates therefor should be issued as hereinafter ordered and conditioned.

(5) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Dockets Nos. C171–152 and C171–337 should be canceled and that the applications filed therein should be treated as petitions to amend the certificates heretofore issued in Dockets Nos. G–6947 and CI61–93, respectively.

(6) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the orders issuing certificates of public convenience and necessity in various dockets involved herein should be amended as hereinafter ordered and conditioned.

(7) The sales of natural gas proposed to be abandoned as hereinbefore described and as more fully described in the applications and in the tabulation herein are subject to the requirements of subsection (b) of section 7 of the Natural Gas Act.

(8) The abandonments proposed by applicants herein are permitted by the public convenience and necessity and should be approved as hereinafter ordered.

(9) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificates heretofore issued to applicants relating to the abandonments hereinafter permitted and approved should be terminated or that the orders issuing said certificates should be amended by deleting therefrom authorization to sell natural gas from the subject acreage.

(10) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the proceedings pending in Dockets Nos. RI67–106 and RI69–306 should be severed from the proceedings in Docket No. AR64–1 et al., and terminated.

(11) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Marine Properties, Inc., should be substituted in lieu of H. T. Shalett as co-respondent in the proceeding pending in Docket No. RI67–112; that said proceeding should be redesignated accordingly; and that the agreement and undertaking submitted by Marine Properties, Inc., in said proceeding should be accepted for filing.

(12) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Clinton Oil Co. (Operator) et al., should be made a co-respondent in the proceedings pending in Dockets Nos. RI70–869 and RI70–870 and that said proceedings should be redesignated accordingly.

(13) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Alfred C. Glassell, Jr., should be made a co-respondent in the proceedings pending in Dockets Nos. RI70–439 and RI70–440; that said proceedings should be redesignated accordingly; and that the agreement and undertaking submitted in said proceedings should be accepted for filing.

(14) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1, should be made co-respondents in the proceeding pending in Docket No. RI69–130; that said proceeding should be redesignated accordingly; and that they should be required to file an agreement and undertaking.

(15) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the FPC gas rate schedules and supplements related to the authorizations hereinafter granted should be accepted for filing.

The Commission orders:

(A) Certificates of public convenience and necessity are issued upon the terms and conditions of this order authorizing sales by applicants of natural gas in interstate commerce for resale, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, all as hereinbefore described and as more fully described in the applications and in the tabulation herein.

(B) The certificates granted in paragraph (A) above are not transferable and shall be effective only so long as applicants continue the acts or operations hereby authorized in accordance with the provisions of the Natural Gas Act and the applicable rules, regulations, and orders of the Commission.

(C) The grant of the certificates issued in paragraph (A) above shall not be construed as a waiver of the requirements of section 4 of the Natural Gas Act or of Part 154 or Part 157 of the Commission's regulations thereunder and is without prejudice to any findings or orders which have been or which may hereafter be made by the Commission in any proceedings now pending or hereafter instituted by or against applicants. Further, our action in this proceeding shall not foreclose nor prejudice any future proceedings or objections relating to the operation of any price or related provisions in the gas purchase contracts herein involved. Nor shall the grant of the certificates aforesaid for service to the particular customers involved imply approval of all of the terms of the contracts, particularly as to the cessation of service upon termination of said contracts as provided by section 7(b) of the Natural Gas Act. The grant of the certificates aforesaid shall not be construed to preclude the imposition of any sanctions pursuant to the provisions of the Natural Gas Act for the unauthorized commencement of any sales of natural gas subject to said certificates.

(D) The certificates issued herein and the amended certificates are subject to the following conditions:

(a) The rates for sales authorized in Dockets Nos. CI63–708, CI67–1847, CI71–129, CI71–130, and CI71–341 shall be the applicable area base rates prescribed in Opinion No. 468, as modified by Opinion No. 468–A, as adjusted for quality of gas, or the contract rates, whichever are lower. Within 45 days from the date of this order Applicant in Dockets Nos. CI71–129 and SI71–130 shall file three copies of a rate schedule quality statement in the form prescribed in Opinion No. 468–A.

(b) The initial rates for sales authorized in Dockets Nos. CI71–176, CI71–306, and CI71–328 shall be the applicable area base rates prescribed in Opinion No. 586, as adjusted for quality of gas, or the contract rates, whichever are lower. Within 90 days from the date of initial delivery applicants shall file three copies of a rate schedule quality statement in the form prescribed in Opinion No. 586.

(c) If the quality of the gas delivered by applicants in Dockets Nos. CI63–708, CI67–1847, CI71–129, CI71–130, CI71–176, CI71–306, CI71–328, and CI71–341 deviates at any time from the quality standards set forth in Opinion No. 468, as modified by Opinion No. 468–A, and Opinion No. 586, whichever are applicable, so as to require a downward adjustment of the existing rates, notices of changes in rates shall be filed pursuant to section 4 of the Natural Gas Act: *Provided, however,* That adjustments reflecting changes in B.t.u. content of the gas shall be computed by the applicable formula and charged without the filing of notices of changes in rates.

(d) No increases in rates shall be filed by Applicants in Dockets Nos. CI71–176, CI71–306, and CI71–328 prior to July 1, 1977, at any price which would exceed the ceiling for the Hugoton-Anadarko area, except as permitted by Opinion No. 586.

(e) In the event that any amounts are collected in excess of the applicable area rate, as adjusted for quality of the gas, applicant in Docket No. CI63–708 shall refund to Northern Natural Gas Co., with interest at the rate of 7 percent per annum, all excess amounts so collected from the date of initial delivery.

(f) The rate for sales authorized in Dockets Nos. CI63–1095, CI70–897, and CI71–294 shall be 15 cents per Mcf at 14.65 p.s.i.a.

(g) The initial rate for the sale authorized in Docket No. CI71–202 shall be 16 cents per Mcf at 14.65 p.s.i.a.

(h) The initial rate for the sale authorized in Docket No. CI71–236 shall be 20 cents per Mcf at 14.65 p.s.i.a. Applicant may file a notice of change in rate in accordance with the provisions of section 4(d) of the Natural Gas Act.

(i) Sales from the added acreage in Docket No. CI70–48 shall be made at a rate subject to refund in Docket No. RI69–374.

(j) Sales from the added acreage in Docket No. CI71–84 shall be made at a rate subject to refund in Docket No. RI60–460. Acceptance of the October 1, 1970, letter agreements does not constitute acceptance of the rate provided therein and a notice of change must be filed pursuant to § 154.94 of the regulations under the Natural Gas Act in order to effect the rate provided for therein.

(k) The initial rate for the sale authorized in Docket No. CI71–321 shall be 25.45 cents per Mcf at 15.025 p.s.i.a. subject to refund in Docket No. RI70–938 for gas produced from the newly discovered reservoirs.

(l) The authorization granted in Docket No. CI64–1464 shall be subject to Opinion No. 586.

(E) Applicant in Docket No. CI63–708 shall file three copies of a billing statement for the first month's service for each of the added acreage supplements; and applicant in Docket No. CI70–1052 shall file three copies of a billing statement reflecting the proposed rate of 28 cents per Mcf at 15.325 p.s.i.a. for the added acreage as required by the regulations under the Natural Gas Act.

(F) Dockets Nos. CI71–152 and CI71–337 are canceled.

(G) The order issuing a certificate in Docket No. G–4820 is amended to revise average daily contract quantity, extend the contract term and provide for price schedule to apply during extended term pursuant to the agreement dated October 3, 1968.

(H) The orders issuing certificates in Dockets Nos. G–7009, G–11120, CI63–708, CI63–743, CI63–1095, CI63–1162, CI67–1847, CI70–48, CI70–129, CI70–897, CI70–1052, and CI71–84 are amended by adding thereto or deleting therefrom authorization to sell natural gas as described in the tabulation herein.

(I) The orders issuing certificates in the following dockets are amended to reflect the deletion of acreage where new certificates are issued herein or existing certificates are amended herein to authorize service from the subject acreage:

Amend to delete acreage	*New certificate and/or amendment to add acreage*
G–5303	CI71–176
G–7177	CI71–321
G–11033	CI71–130
G–12273	CI70–48
G–15472	CI71–236
G–17008	CI71–129
CI60–492	CI71–84
CI60–569	CI71–45
CI65–259	CI71–306
CI65–630	CI71–149
CI70–112	CI71–328

(J) The orders issuing certificates in Dockets Nos. G–6947, G–10833, CI60–66, CI61–93, CI64–1464, CI64–1550, and CI65–791 are amended to reflect the successors in interest as certificate holders.

(K) Permission for and approval of the abandonment of service by applicants, as hereinbefore described, all as more fully described in the applications and in the tabulation herein are granted.

(L) Permission for and approval of the abandonment in Docket No. CI71–308 shall not be construed to relieve applicant of any refunds obligations in the proceedings pending in Dockets Nos. CI61–586, RI63–168, and RI65–231.

(M) Permission for and approval of the abandonment in Docket No. CI71–326 shall not be construed to relieve applicant of any refund obligations in the proceedings pending in Dockets Nos. G–3498, G–16600, and G–18414.

(N) The certificate heretofore issued in Docket No. CI64–474 is terminated only with respect to sales made pursuant to Hazel Woodford et al., FPC Gas Rate Schedule No. 2.

(O) The certificates heretofore issued in Dockets Nos. G–3498, G–15500, CI61–586, CI61–1006, and CI64–1418 are terminated.

(P) The proceedings pending in Dockets Nos. RI67–106 and RI69–306 are severed from the proceedings in Docket No. AR64–1 et al., and are terminated.

(Q) Marine Properties, Inc., is substituted in lieu of H. T. Shalett as co-respondent in the proceeding pending in Docket No. RI67–112; said proceeding is redesignated accordingly; and the agreement and undertaking submitted by Marine Properties, Inc., in said proceeding is accepted for filing. Marine Properties, Inc., shall comply with the refunding procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder. The agreement and undertaking shall remain in full force and effect until discharged by the Commission.

(R) Clinton Oil Co. (Operator) et al., is made a co-respondent in the proceedings pending in Dockets Nos. RI70–869 and RI70–870 and said proceedings are redesignated accordingly. Clinton Oil Co. shall comply with the refunding procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder.

(S) Alfred C. Glassell, Jr., is made a co-respondent in the proceedings pending in Dockets Nos. RI70–439 and RI70–440; said proceedings are redesignated accordingly; and the agreement and undertaking submitted by him in said proceedings is accepted for filing. He shall comply with the refunding procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder. The agreement and undertaking shall remain in full force and effect until discharged by the Commission.

(T) John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1, are made co-respondents in the proceeding pending in Docket No. RI69–130 and said proceeding is redesignated accordingly. They shall comply with the refunding procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder.

(U) Within 30 days from the date of this order, John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1, shall execute, in the form set out below, and shall file with the Secretary of the Commission an acceptable agreement and undertaking in Docket No. RI69–130 to assure the refund of any amounts collected by them in excess of the amount determined to be just and reasonable in said proceeding. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such agreement and undertaking shall be deemed to have been accepted for filing. The agreement and undertaking shall remain in full force and effect until discharged by the Commission.

(V) The rate schedules and rate schedule supplements related to the authorizations granted herein are accepted for filing or are redesignated, all as described in the tabulation herein.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted: Description and date of document	No.	Supp.
G–4820 10–5–70 [1]	Texaco, Inc.	Natural Gas Pipeline Co. of America, Old Ocean Field, Brazoria County, Tex.	Agreement 10–3–68	91	3
G–7009 D [2]	Cities Service Oil Co.	United Fuel Gas Co., acreage in Pike, Perry, and Letcher Counties, Ky.	Assignment 9–3–69 [3]	235	22
			Assignment 7–17–69	235	23
			Assignment 8–29–69	235	24
			Assignment 5–1–70	235	25
			Assignment 5–1–70	235	26
			Assignment 7–6–70	235	27
			Assignment 5–9–70	235	28
			Effective dates: Same as dates of assignments.		
G–10833 E 7–29–70	Marine Properties, Inc., et al. (successor to H. T. Shalett & David Crow).	Southern Natural Gas Co., Bear Creek Field, Bienville Parish, La.	H. T. Shalett & David Crow, FPC GRS No. 1.	1	
			Supplements Nos. 1–5	1	1–5
			Notice of succession 7–29–70		
			Conveyance 1–2–70	1	6
			Effective date: 7–1–69		
G–11120 D [2]	Cities Service Oil Co.	Consolidated Gas Supply Corp., Gaskill Township, Jefferson County, Pa.	Sublease agreement 1–24–69 [4]	274	10
			Effective date: 1–24–69		
CI60–66 E 8–7–70	Clinton Oil Co. (Operator) et al. (successor to Humble Oil & Refining Co.).	El Paso Natural Gas Co., Figure Four Canyon Unit, Sublette County, Wyo.	Humble Oil & Refining Co., FPC GRS No. 250.	42	
			Supplements Nos. 1–10	42	1–10
			Notice of succession 8–5–70		
			Assignments 2–26–70 [5]	42	11
			Effective date: 1–1–70		
CI61–93 (CI71–337) E 10–16–70 [6]	The Ohio Fuel Supply Co. (successor to R. E. Crawford).	Panhandle Eastern Pipe Line Co., Hugoton Field, Texas County, Okla.	R. E. Crawford, FPC GRS No. 2.	6	
			Notice of succession 10–12–70.		
			Assignment 8–1–70	6	1
			Effective date: 8–1–70		
CI63–708 C 7–1–70	CRA, Inc.[7]	Northern Natural Gas Co., Mertzon Plant, Irion County, Tex.	Supplemental agreement 12–2–63.[8 9]	49	15
C 7–1–70	do	do	Supplemental agreement 1–20–64.[8 9]	49	16
C 7–1–70	do	do	Supplemental agreement 4–22–64.[8 9]	49	17
C 7–1–70	do	do	Supplemental agreement 4–23–64.[8 9]	49	18
C 7–1–70	do	do	Supplemental agreement 6–15–64.[8 9]	49	19
C 7–1–70	do	do	Supplemental agreement 11–1–65.[8 9]	49	20
CI63–743 C 9–22–70	Forest Oil Corp. (Operator) et al.	Clinton Oil Co., East Blackwell Field, Kay County, Okla.	Amendment 11–13–69 [8]	28	2
CI63–1095 C 9–17–70	Union Texas Petroleum, a division of Allied Chemical Corp., et al.[10]	Lone Star Gas Co., East Durant Field, Bryan County, Okla.	Amendment 7–15–70 [8]	72	4
CI63–1162 D 3–12–70	Humble Oil & Refining Co.	Northern Natural Gas Co., Como Area, Beaver County, Okla.	Assignment 3–13–69 [11]	327	18
CI64–1464 E 9–8–70	Herman Geo. Kaiser (successor to Sohio Petroleum Co.).	Plateau Natural Gas Co., Sparks Field, Stanton County, Kans.	Sohio Petroleum Co., FPC GRS No. 101.	12	
			Supplement No. 1	12	1
			Notice of succession 9–2–70		
			Assignment 8–25–70 [12]	12	2
			Effective date: 8–1–70		
CI64–1550 E 9–3–70	Mack R. Worl et al., d.b.a. Waco Industries (successor to Ray A. Jones).	Consolidated Gas Supply Corp., Glenville District, Gilmer County, W. Va.	Ray A. Jones, FPC GRS No. 3.	2	
			Supplement No. 1	2	1
			Notice of succession 8–18–70		
			Assignment 2–14–70	2	2
			Effective date: 12–14–70		
CI65–791 E 9–3–70	do	Consolidated Gas Supply Corp., acreage in Gilmer County, W. Va.	Ray A. Jones, FPC GRS No. 4.	3	
			Supplement No. 1	3	1
			Notice of succession 8–18–70		
			Assignment 2–14–70	3	2
			Effective date: 2–14–70		
CI67–1847 C 7–2–70	Tamarack Petroleum Company, Inc.[13]	El Paso Natural Gas Co., Spraberry Trend Area, Reagan County, Tex.	Supplemental agreement 6–16–70.[13]	15	7
			Quality statement 6–17–70	15	1–7
			Amendatory agreement 6–17–70.[13]	15	8
C 8–7–70			Supplemental agreement 8–4–70.[13]	15	9
CI70–48 (G–12273) C 6–3–70	Tenneco Oil Co.	El Paso Natural Gas Co., Blanco Pictured Cliffs Field, San Juan County, N. Mex.	Conveyance 10–9–67 [14]	257	4
			Effective date: 10–9–67		

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.
See footnotes at end of table.

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted: Description and date of document	No.	Supp.
CI70-129 D [2]	Cities Service Oil Co.	Consolidated Gas Supply Corp., Poca District, Kanawha County, W. Va.	Assignment 10-10-69 [18]	318	1
			Effective date: 10-10-69		
			Assignment 6-1-70 [19]	318	2
			Assignment 8-28-70 [19]	318	3
			Effective date: 6-1-70		
CI70-897 C 9-8-70	Royal Resources Corp.[20]	Arkansas Louisiana Gas Co., Kinta Field, Pittsburg County, Okla.	Amendment 6-1-70	1	3
			Amendment 8-1-70 [9]	1	4
CI70-1052 C 9-8-70	Syndex, Inc., et al.	Equitable Gas Co., acreage in Gilmer County, W. Va.	Letter agreement 7-7-70 (Pertains to Contract No. 6357).[9]	2	1
CI71-45 (CI60-569) F 9-8-70	Rock Hill Industries, Inc. (successor to Alfred E. McLane et al.).	El Paso Natural Gas Co., Ignacio Field, La Plata County, Colo.	Contract 8-1-56 [21]	1	
			Assignment 4-1-70 [22]	1	1
			Effective date: 4-1-70		
F CI71-84 (CI60-492) C 10-14-70	Jerome P. McHugh, et al.	El Paso Natural Gas Co., Basin Dakota Field, San Juan County, N. Mex.	Assignemnt 2-6-70 [23]	8	2
			Assignment 8-31-70 [24]	8	3
			Effective date: 8-31-70		
			Letter agreement 10-1-70 [25]	8	4
			Letter agreement 10-1-70 [26]	8	5
			Effective date: 11-14-70		
CI71-129 (G-17008) F 8-7-70	Clinton Oil Co. (Operator) et al. (successor to Humble Oil & Refining Co.).	El Paso Natural Gas Co., Amacker-Tippett Field, Upton County, Tex.	Contract 10-15-58 [27]	43	
			Amendment 1-1-61	43	1
			Amendment 8-12-69	43	2
			Assignment 12-22-69 [28]	43	3
			Effective date: 1-1-70		
CI71-130 (G-11033) F 8-7-70	do	El Paso Natural Gas Co., Amacker-Tippett and King Mountain Fields, Upton County, Tex.	Contract 8-14-56 [29]	44	
			Amendment 1-1-61	44	1
			Amendment 8-12-69	44	2
			Assignment 12-22-69 [28]	44	3
			Effective date: 1-1-70		
CI71-149 (CI65-630) F 8-17-70	Alfred C. Glassell, Jr. (successor to Continental Oil Co.).	Lone Star Gas Co., J.G.S. Field, Panola County, Tex.	Contract 9-30-64 [30]	6	
			Conveyance 1-1-70	6	1
			Effective date: 1-1-70		
CI71-152 (G-6947) E 8-14-70 [31]	Alfred C. Glassell, Jr. (Operator) et al. (successor to Continental Oil Co.).	Texas Gas Transmission Corp., East Carthage Field, Panola County, Tex.	Continental Oil Co. (Operator) et al., FPC GRS No. 82.	4	
			Supplements Nos. 1-9	4	1-9
			Notice of succession 8-12-70		
			Conveyance 1-1-70	4	10
			Effective date: 1-1-70		
CI71-176 (G-5303) F 8-24-70	John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr. Trust No. 1 (successor to Skelly Oil Co.).	Kansas-Nebraska Natural Gas Co., Inc., Kansas Hugoton Field, Finney County, Kans.	Contract 4-7-52 [32]	51	
			Letter Agreement 11-3-53	51	1
			Agreement 6-3-59	51	2
			Agreement 5-28-64	51	3
			Letter Agreement 6-19-64	51	4
			Assignment 7-6-70 [33]	51	5
			Assignment 7-6-70 [33]	51	6
			Assignment 7-6-70 [33]	51	7
			Effective date: 7-1-70		
CI71-202 A 9-3-70	Houston Oil & Minerals Corp. (Operator), et al.	United Gas Pipe Line Co., West Weesatche Field, Goliad County, Tex.	Contract 6-25-70	12	
			Compliance 9-22-70 [9] [34]	12	1
CI71-236 (G-15472) F 9-10-70	Standard Producing Corp. (successor to Associated Tank Co.[35]).	Trunkline Gas Co., Alta Loma Field, Galveston County, Tex.	Contract 5-14-58 [36]	1	
			Letter Agreement 5-14-58	1	1
			Letter agreement 1-20-59	1	2
			Amendment 5-14-58	1	3
			Assignment 2-20-70 [37]	1	4
			Assignment 3-1-70 [38]	1	5
			Effective date: 3-1-70		
(G-15472) [39]	Phillips Petroleum Co. (Operator) et al.	do	Assignment 2-20-70 [37]	318	10
			Effective date: 3-1-70		
CI71-276 A 9-23-70	Richard Stalnaker et al., d.b.a. Poverty Gas Co.	Equitable Gas Co., De Kalb District, Gilmer County, W. Va.	Contract 9-22-36 [40]	1	
			Amendment 9-20-46	1	1
			Assignment 7-13-70 [41]	1	2
			Effective date: 7-13-70		
CI71-289 (CI61-1006) B 10-1-70	Rounds & Stewart Natural Gasoline Co., Inc. (Operator).	Cities Service Gas Co., Tailgate of Plant, Marion County, Kans.	Notice of Cancellation 9-29-70. [12] [42]	[43] 1	4
CI71-294 A 10-5-70	Warren Petroleum [44] Corp. (Operator).	United Gas Pipe Line Co., Gladewater Plant, Gregg County, Tex.	Contract 9-25-70	59	
CI71-306 (CI65-259) F 10-2-70	Texas Oil & Gas Corp. west (successor to South Oil Industries, Inc.).	Northern Natural Gas Co., acreage in Beaver County, Okla.	Contract 8-18-64 [45]	73	
			Assignment 4-17-70	73	1
			Effective date: 4-17-70		
CI71-308 (CI61-586) B 10-7-70	Continental Oil Co. (Operator) et al.	United Fuel Gas Co., Northeast Rayne Field, Acadia Parish, La.	Notice of cancellation 10-1-70.[12] [46]	218	6
CI71-310 (CI64-1418) B 10-5-70	Patrick A. Doheny (Operator) et al.	Kansas-Nebraska Natural Gas Co., Inc., Xenia Field, Washington County, Colo.	Notice of cancellation 10-16-70.[12] [46]	4	1
CI71-316 (G-15500) B 10-9-70	Phillips Petroleum Co.	United Gas Pipe Line Co., West Edna Field, Jackson County, Tex.	Notice of cancellation 10-6-70.[12] [46]	319	6
CI71-320 A 10-7-70	Howard E. Berry et al.	United Gas Pipe Line Co., Gwinville Field, Jefferson Davis County, Miss.	Contract 8-4-70	2	
			Letter agreement 8-4-70	2	1
CI71-321 (G-7177) F 10-7-70	Howard E. Berry (successor to Gulf Oil Corp.).	United Gas Pipe Line Co., Gwinville Field, Jefferson Davis County, Miss.	Contract 3-26-46 [47]	1	
			Letter agreement 3-26-46	1	1
			Amendment 7-24-47	1	2
			Letter agreement 6-7-49	1	3
			Letter agreement 6-7-49	1	4
			Amendment 6-7-49	1	5
			Amendment 4-6-54	1	6
			Letter agreement 6-19-58	1	7
			Amendment 2-11-59	1	8
			Amendment 2-11-59	1	9
			Partial release 2-28-62	1	10
			Letter agreement 8-29-63	1	11
			Assignment 7-3-69 [48]	1	12
			Notice 9-18-70 [49]	1	13
CI71-326 (G-3498) B 10-12-70	Phillips Petroleum Co.	Tennessee Gas Pipeline Co., a division of Tenneco Inc., South Crowley Field, Terrebonne Parish, La.	Notice of cancellation 10-8-70.[12] [46]	218	21
CI71-327 (CI64-474)[50] B 10-7-70	Hazel Woodford, et al.	Pennzoil United, Inc., acreage in Ritchie County, W. Va.	Notice of cancellation 10-5-70.[12] [46]	2	2
CI71-328 (CI70-112) F 10-12-70	A. W. Moursund (successor to John H. Hill).	Panhandle Eastern Pipe Line Co., Northwest Six Mile Field, Beaver County, Okla.	Contract 7-14-69	2	
			Amendment 2-27-70	2	1
			Assignment 5-12-70 [9] [52]	2	2
CI71-336 A 10-15-70	Murchison Bros.	El Paso Natural Gas Co., Ignacio Blanco Field, La Plata County, Colo.	Contract 2-24-70	1	
			Amendment 2-24-70 [9]	1	1
CI71-341 A 10-19-70	Warren Petroleum [53] Corp. (Operator).	Natural Gas Pipeline Co., of America, Bough Processing Plant, Lea County, N. Mex.	Contract 10-14-70	58	
			Letter agreement 10-14-70	58	1

[1] Amendment to the certificate to reflect terms of amendatory agreement dated Oct. 3, 1968.
[2] No certificate filing made or required. Any sale by assignee would be covered by small producer certificate pursuant to Order No. 411, issued Oct. 2, 1970, in Docket No. R-371.
[3] From Cities Service Oil Co. to J. W. Kinzer (Supplements Nos. 22 through 28).
[4] From Cities Service Oil Co. to Mid-East Oil Co.
[5] Eight similar assignments from Humble to Clinton.
[6] Application erroneously assigned Docket No. CI71-337 is being treated as a petition to amend the certificate in Docket No. CI61-93 and Docket No. CI71-337 will be terminated.
[7] By letter dated Sept. 10, 1970, applicant agreed to accept permanent authorization conditioned as Opinion Nos. 468 and 468-A.
[8] Sales being rendered without prior Commission authorization. Applicant was unaware that its predecessor, Brooks Gas Corp., had not filed certain amendments to the basic contract, dated Nov. 16, 1968.
[9] Effective date: Date of initial delivery (applicant shall advise the Commission as to such date).
[10] Applicant filed for contract rate of 19 cents, however, by letter dated Oct. 19, 1970, applicant agreed to accept a permanent certificate conditioned to the area ceiling rate of 15 cents.
[11] Conveys nonproductive acreage to Petroleum, Inc.

[12] Effective date: Date of this order.
[13] Kaiser is filing for the contractual rate of 14.5 cents. The 14.5 cents proposed rate is presently being collected subject to refund in Docket No. RI69-302 under Sohio's FPC GRS No. 101, said rate does not exceed the area base rate established by Opinion No. 586. Therefore, the rate proceeding in Docket No. RI69-302 will be severed from the proceedings in Docket No. AR64-1 et al., and will be terminated.
[14] By letter filed Aug. 19, 1970, applicant agreed to accept permanent authorization conditioned as Opinions Nos. 468 and 468-A.
[15] Adds casinghead gas.
[16] Amends the Feb. 23, 1955 contract with respect to the liquid content of the casinghead gas.
[17] From Pan American Petroleum Corp. to Tenneco. Acreage dedicated to Mar. 15, 1967 contract on file as Pan American Petroleum Corp. (Operator), et al., FPC GRS No. 195.
[18] From Cities Service Oil Co. to Allen Beard.
[19] From Cities Service Oil Co. to Harry A. Holtom.
[20] Contract rate is 16 cents, however, applicant states willingness to accept permanent authorization at 15 cents.
[21] Between Alfred E. McLane et al., and El Paso; on file as Estate of Alfred E. McLane et al., FPC GRS No. 3.
[22] From Dixie M. McLane Trust and Lewis Chandler to Rock Hill Industries, Inc.
[23] From Gulf Oil Corp. (covered under Gulf's FPC GRS No. 190) to Dugan Production Corp.
[24] From Dugan Production Corp. to Jerome P. McHugh.
[25] Pertains to gas covered by the original application.
[26] Pertains to gas covered by the application to amend.
[27] On file as Humble Oil & Refining Co. (Operator) et al., FPC GRS No. 144.
[28] Assigns acreage from Humble to Clinton Oil Co.
[29] On file as Humble Oil & Refining Co. (Operator) et al., FPC GRS No. 118.
[30] Between Continental Oil Co. and the purchaser. Also on file as Continental's FPC GRS No. 292.
[31] By letter dated Dec. 4, 1970, applicant advised the Commission that the application filed on Aug. 14, 1970, is a complete succession rather than a partial succession, therefore, the application in Docket No. CI71-152 will be treated as a petition to amend the certificate in Docket No. G-6947 and Docket No. CI71-152 will be canceled.
[32] Also on file as Skelly Oil Co. FPC GRS No. 36.
[33] From Skelly Oil Co. to applicant.
[34] Accepts temporary certificate issued. Applicant agrees to accept a permanent certificate at the rate of 16 cents.
[35] Partial successor to Phillips Petroleum Co. Associated Tank Co. never made certificate filing covering the subject acreage.
[36] Contract between Phillips Petroleum Co. and Trunkline Gas Co. Currently on file as Phillips Petroleum Co. (Operator) et al., FPC GRS No. 318.
[37] Transfers acreage from Phillips Petroleum Co. to Associated Tank Co.
[38] Transfers acreage from Associated Tank Co. to Standard Producing Corp.
[39] No certificate filing made or necessary. Rate filing submitted Mar. 30, 1970.
[40] Between James A. Tierney Development Co. and Pittsburgh and West Virginia Gas Co. (now Equitable Gas Co.). Sale being rendered on June 7, 1954, by predecessor.
[41] From predecessor to applicant.
[42] Production of gas no longer economically feasible.
[43] Rate of 16 cents is being collected subject to refund in Docket No. RI67-106, said rate is below the appplicable just and reasonable rate established by Opinion No. 586. Therefore, the rate proceeding in Docket No. RI67-106 will be severed from the proceedings in Docket No. AR64-1 et al., and will be terminated.
[44] Contract provides for rate of 19 cents per Mcf, however, applicant states willingness to accept a permanent certificate at 15 cents per Mcf.
[45] On file as Southwest Oil Industries, Inc., FPC GRS No. 1.
[46] Source of gas depleted.
[47] Between Gulf Oil Corp. and United Gas Pipe Line Co.; on file as Gulf Oil Corp. (Operator) et al., FPC GRS No. 74.
[48] Assigns acreage from Gulf to Howard Berry from 7,669 feet to 7,900 feet (The Eutaw A and B Zones).
[49] Notice of change in rate reflecting operator's currently effective rate subject to refund.
[50] Other sales covered under the certificate in Docket No. CI64-474, therefore, the certificate in said docket will be terminated only with respect to applicant's FPC GRS No. 2.
[51] On file as John H. Hill FPC GRS No. 11.
[52] Assigns acreage from John H. Hill to applicant.
[53] Applicant has stated its willingness to accept a permanent certificate conditioned as Opinion Nos. 468 and 468-A.

Suggested agreement and undertaking:

BEFORE THE FEDERAL POWER COMMISSION

(Name of respondent ------)

Docket No. ------

AGREEMENT AND UNDERTAKING OF (NAME OF RESPONDENT) TO COMPLY WITH REFUNDING AND REPORTING PROVISIONS OF SECTION 154.102 OF THE COMMISSION'S REGULATIONS UNDER THE NATURAL GAS ACT

(Name of respondent) hereby agrees and undertakes to comply with the refunding and reporting provisions of § 154.102 of the Commission's regulations under the Natural Gas Act insofar as they are applicable to the proceeding in Docket No. ------, and has caused this agreement and undertaking to be executed and sealed in its name by a duly authorized officer this ------ day of ----------, 19--.

(Name of respondent)

By ----------

Attest:

[F.R. Doc. 71-1; Filed, Jan. 4, 1971; 8:45 a.m.]

[Docket No. RP71-86]

KENTUCKY WEST VIRGINIA GAS CO.

Notice of Proposed Changes in Rates and Charges

DECEMBER 30, 1970.

Notice is hereby given that Kentucky West Virginia Gas Co. (Kentucky West Virginia) an affiliate of Equitable Gas Co., on December 29, 1970, tendered for filing proposed changes in its FPC Gas Tariff, Original Volume No. 1, to become effective February 15, 1971. The proposed changes would increase rates and charges to jurisdictional customers by $1.8 million per year, based upon sales for the year ended August 31, 1970, as adjusted. The proposed increases would be applicable to the company's Rate Schedule S-1, covering sales for resale to its two jurisdictional customers, Equitable Gas Co. and United Fuel Gas Co.

Kentucky West Virginia states that the principal reasons for the rate increase filing are: (1) The claimed need for an 8.5 percent rate of return; (2) the need for sufficient revenues to finance the continuing new investment in production facilities required to maintain the present level of gas deliveries; (3) its claimed need for an income tax allowance, whereas none has been claimed before, due to the amendments to the Internal Revenue Code with respect to statutory depletion; (4) increases in the cost of purchased gas reflecting the new rate levels in Appalachian Rate Order No. 411; and (5) increases in operating expense, depreciation, depletion, and amortization expense.

Kentucky West Virginia requests deferral or waiver of the requirement for filing Statement P (written testimony) required by § 154.63 (b) (3), and (f) and that the Commission permit the rate increase to become effective without suspension.

Any person desiring to be heard or to make any protest with reference to said application should on or before January 15, 1971, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as parties in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 71-33; Filed, Jan. 4, 1971; 8:46 a.m.]

[Docket No. CP71-161]

MICHIGAN WISCONSIN PIPE LINE CO.

Notice of Application

DECEMBER 28, 1970.

Take notice that on December 18, 1970, Michigan Wisconsin Pipe Line Co. (applicant), 1 Woodward Avenue, Detroit, MI 48226, filed in Docket No. CP71-161 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of one compressor unit of the 4,500 horsepower class on its gas supply line extending to the Woodward and Laverne Areas of Oklahoma, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that, by reason of new gas purchase contracts it has entered into and the development of additional reserves under older contracts, it must expand the capacity of its system extending to the Woodward and Laverne Areas to enable it to transport to its southwest main line system the volumes of gas it is obligated to purchase. To obtain the increase in capacity, Applicant proposes to install, at an estimated cost of $1,981,350, a compressor unit of the 4,500 horsepower class at a new compressor station to be located on the Woodward gas supply line in Comanche County, Kans. Applicant proposes no additional sales and states that it will finance the facilities with funds on hand.

Any person desiring to be heard or to make any protest with reference to said application should on or before January 18, 1971, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding.

Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 71-57; Filed, Jan. 4, 1971; 8:49 a.m.]

[Docket No. RP71-44]

OKLAHOMA NATURAL GAS GATHERING CO.

Order Permitting Rate Increase Filing To Become Effective Without Suspension

DECEMBER 29, 1970.

On November 20, 1970, Oklahoma Natural Gas Gathering Co. (Gas Gathering) tendered for filing a proposed change in its FPC Gas Tariff[1] to be effective as of January 1, 1971. The filing proposes to increase the level of rate to Oklahoma Natural Gas Co. (Oklahoma Natural) and Cities Service Gas Co. (Cities Service) by 1.31 cents per Mcf (from 18.5¢ to 19.81¢) under Rate Schedules Nos. 1 and 2. The proposed change would increase jurisdictional revenues by approximately $570,000 per annum based on operations for the 12-month period ended August 31, 1970. In its filing Gas Gathering states that it would reduce its rates to track rate reductions of its supplier's rates which are currently under review and would flow-through any refunds which it may receive from such suppliers including any interest associated with such refunds.

In support of its filing, Gas Gathering states that the filing is made solely to track the rate increases of its suppliers. Because it is a tracking filing Gas Gathering requests waiver of § 154.63(e)(6) of the Commission's regulations under the Natural Gas Act as such relates to the filing of an opinion statement by an independent accountant.

[1] Original Volume No. 1, Original Sheets Nos. 1 through 57 inclusive.

Notice of the proposed change was issued by the Commission on December 2, 1970, and no protests or petitions to intervene have been received.

Analysis of the cost of service and revenue data submitted with the filing indicates that after giving effect to the proposed increased rate the overall earned rate of return would be 6.42 percent. We find that the proposed increased rate has been supported and should be permitted to become effective as requested.

The Commission orders:

(A) The increased rates contained in the tariff sheets listed above as filed by Gas Gathering on November 20, 1970, are hereby accepted to be effective as of January 1, 1971.

(B) Gas Gathering's petition for waiver of § 154.63(e)(6) is hereby granted.

(C) During the period that the rates hereby made effective shall remain in full force and effect, Gas Gathering shall make rate reductions and refunds to reflect rate reductions and refunds of its suppliers as provided in its filing.

(D) This order is without prejudice to any findings or orders which have been or may hereafter be made by this Commission in any proceeding now pending or hereafter instituted by or against Gas Gathering or any other persons affected by the rates hereby permitted to be effective.

By the Commission.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 71-58; Filed, Jan. 4, 1971; 8:49 a.m.]

[Docket No. CP62-59]

PACIFIC GAS TRANSMISSION CO.

Notice of Petition To Amend

DECEMBER 28, 1970.

Take notice that on December 17, 1970, Pacific Gas Transmission Co. (petitioner), 245 Market Street, San Francisco, CA 94106, filed in Docket No. CP62-59 a petition to amend the order of the Commission in this docket dated April 6, 1962 (27 FPC 671), as amended, issuing a certificate of public convenience and necessity pursuant to section 7(c) of the Natural Gas Act by authorizing petitioner, for an additional 3-year period, to construct and operate taps and metering facilities to enable applicant to deliver at points in Idaho, Washington, and Oregon natural gas which it will transport in its pipeline for El Paso Natural Gas Co. (El Paso), all as more fully set forth in the petition to amend which is on file with the Commission and open to public inspection.

By order issued in Docket No. G-17350 et al. (24 FPC 134), petitioner is authorized to transport for El Paso natural gas received by El Paso at the international boundary in Idaho. By order issued in the instant docket, petitioner was authorized to construct and operate facilities and to deliver natural gas for El Paso's account to El Paso's Northwest Division customers along petitioner's pipeline in Idaho, Washington, and Oregon. The latter authorization, as amended, expired on December 2, 1970. Petitioner requests that this authorization be extended for 3 years, until December 2, 1973.

Applicant states that the cost of each new delivery point will not exceed $25,000, and will be borne by El Paso.

Any person desiring to be heard or to make any protest with reference to said petition to amend should on or before January 18, 1971, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 71-59; Filed, Jan. 4, 1971; 8:50 a.m.]

[Docket No. RP71-49, etc.]

TEXAS EASTERN TRANSMISSION CORP.

Order Permitting Tracking of Purchase Gas Increase, Subject to Effectiveness of Supplier Rate Increase and Consolidating Proceedings

DECEMBER 29, 1970.

Texas Eastern Transmission Corp. (Texas Eastern) on November 30, 1970, tendered for filing proposed changes in its FPC Gas Tariff Second Revised Volume No. 1,[1] to become effective on January 1, 1971. Texas Eastern requests waiver of section 154 of the Commission's regulations to permit the filing of the proposed tariff sheets.

The proposed changes in rates would result in an estimated increase in jurisdictional revenues of approximately $196,000 annually, based on the adjusted test period sales volumes ended on December 31, 1969. This is in addition to the increased jurisdiction revenues

[1] 2d Revised Sheet No. 10B; 5th Revised Sheets Nos. 25, 57; 8th Revised Sheet No. 10A; 9th Revised Sheets Nos. 12A, 65L; 12th Revised Sheets Nos. 28A, 44B; 13th Revised Sheets Nos. 7, 9, 10, 13; 15th Revised Sheets Nos. 65G, 65H; 16th Revised Sheets Nos. 14, 16, 17, 19, 23, 30, 32, 33, 35, 39, 41, 44, 46, 48, 49, 51, 55, 65B, 65F; 17th Revised Sheets Nos. 27, 56, 59; 18th Revised Sheet No. 24; and 19th Revised Sheet No. 61.

of $60,150,000[2] in Docket No. RP70–29 which were placed into effect subject to refund on November 1, 1970. The subject rate increase tracks the rate increase filed by Southern Natural Gas Co. (Southern) on June 16, 1970, and amended on November 20, 1970, in Docket No. RP70–38. Southern's proposed rate increase has been suspended until January 1, 1971, or such later date as it is made effective in the manner prescribed by the Natural Gas Act.

Texas Eastern proposes that the increased rates be effective January 1, 1971, or such other date as the increased rates proposed by Southern in RP70–38 become effective.

Since Texas Eastern's rates are presently the subject of proceedings in Dockets Nos. RP70–29 and RP71–12, it appears appropriate that the proposed rate increase in Docket No. RP71–49 be consolidated with the RP70–29 and RP-71–12 proceedings.

The Commission finds: Good cause exists for waiving section 154 of the Commission's regulations to permit the filing of the proposed revised tariff sheets.

The Commission orders:

(A) Section 154 of the Commission's regulations under the Natural Gas Act is hereby waived to permit the filing of the above listed tariff sheets, to be effective as of January 1, 1971, or such other date as the increases proposed by Southern in Docket No. RP70–38 become effective, subject to any orders heretofore issued in Docket No. RP70–29 and such orders which hereafter may be issued in these consolidated proceedings.

(B) Docket No. RP71–49 is hereby consolidated with Dockets Nos. RP70–29 and RP71–12, for purposes of hearing and decision.

By the Commission.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 71–61; Filed, Jan. 4, 1971; 8:50 a.m.]

[Project No. 190]

UINTAH POWER AND LIGHT CO. AND MOON LAKE ELECTRIC ASSOCIATION, INC.

Notice of Application for Transfer of License for Constructed Project

DECEMBER 29, 1970.

Public notice is hereby given that application for approval of transfer of license by Uintah Power and Light Co. and Moon Lake Electric Association, Inc., from the former to the latter (correspondence to: Elliott Lee Pratt, Attorney for Uintah Power and Light Co. and Moon Lake Electric Association, Inc., 351 South State Street, Salt Lake City, UT 84111), for the constructed Pole Creek Project No. 190, located in Duchesne County, Utah, and affecting lands of the United States within Ashley National Forest and Indian tribal lands within the Uintah and Ouray Reservations.

According to the application, under a recent agreement between the applicants, the approval of which is being petitioned for before the Utah Public Service Commission, the system and assets of Uintah, including Project 190, will be transferred to Moon Lake.

Any person desiring to be heard or to make any protest with reference to said application should on or before February 10, 1971, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 71–62; Filed, Jan. 4, 1971; 8:50 a.m.]

FEDERAL RESERVE SYSTEM

AMERIBANC, INC.

Order Approving Action To Become Bank Holding Company

In the matter of the application of Ameribanc, Inc., St. Joseph, Mo., for approval of action to become a bank holding company through the acquisition of 100 percent of the voting shares (less directors' qualifying shares) of the successor by merger to The American National Bank of St. Joseph, and the successor by merger to Belt National Bank of St. Joseph, both in St. Joseph, Mo.

There has come before the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)) and § 222.3 (a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Ameribanc, Inc., St. Joseph, Mo., for the Board's approval of action whereby applicant would become a bank holding company through the acquisition of 100 percent of the voting shares (less directors' qualifying shares) of the successor by merger to The American National Bank of St. Joseph, and the successor by merger to Belt National Bank of St. Joseph, both in St. Joseph, Mo.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency, and requested his views and recommendation. The Deputy Comptroller recommended approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on October 23, 1970 (35 F.R. 16572), which provided an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. The time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, For the reasons set forth in the Board's statement[1] of this date, that said application be and hereby is approved; *Provided*, That the action so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors,[2] December 28, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 71–69; Filed, Jan. 4, 1971; 8:48 a.m.]

BARCLAYS BANK D.C.O.

Order Approving Action To Become Bank Holding Company

In the matter of the application of Barclays Bank D.C.O., London, England (which presently owns more than 25 percent of the voting stock of one bank), for approval of action to become a bank holding company through the acquisition of 100 percent (less directors' qualifying shares) of the voting shares of Barclays Bank of New York, New York, N.Y., a proposed new bank.

There has come before the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)) and § 222.3 (a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Barclays Bank D.C.O., London, England (a subsidiary of Barclays Bank, Ltd., London, England, a registered bank holding company) which presently owns more than 25 percent of the voting shares of Barclays Bank of California, San Francisco, Calif., for the Board's prior approval of action whereby applicant would become a bank holding company through the acquisition of all (less directors' qualifying shares) of the voting shares of Barclays Bank of New York, New York, N.Y., a proposed new bank.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Superintendent of Banking for the State of New York and requested his views and recommendation. The Superintendent responded that he had no objection to the proposal.

[2] As reduced by $4,303,586 in Docket No. RP71–12.

[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to the Federal Reserve Bank of Kansas City.

[2] Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sherrill.

Notice of receipt of the application was published in the FEDERAL REGISTER on November 13, 1970 (35 F.R. 17451), which provided an opportunity for interested persons to submit comments and views with respect to the proposed acquisition. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. The time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, For the reasons set forth in the Board's statement[1] of this date, that said application be and hereby is approved: *Provided*, That this approval shall remain in effect only so long as Barclays Bank D.C.O. remains a subsidiary of Barclays Bank, Ltd., and provided that the application so approved shall not be consummated (a) before the 30th calendar day following the date of this order, or (b) later than 3 months after the date of this order: *And provided further*, That (c) Barclays Bank of New York shall be open for business not later than 6 months after the date of this order. The periods described in (b) and (c) hereof may be extended for good cause by the Board, or by the Federal Reserve Bank of New York pursuant to delegated authority.

By order of the Board of Governors,[2] December 29, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 71-70; Filed, Jan. 4, 1971; 8:48 a.m.]

BARCLAYS BANK, LTD.

Order Approving Acquisition of Bank Stock by Bank Holding Company

In the matter of the application of Barclays Bank, Ltd., London, England, for approval of indirect acquisition of 100 percent of the voting shares (less directors' qualifying shares) of Barclays Bank of New York, New York, N.Y., a proposed new bank.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and § 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Barclays Bank, Ltd., London, England, a registered bank holding company as a result of its control of banks in the United States, for the Board's prior approval of the indirect acquisition—through its subsidiary, Barclays Bank D.C.O., London, England—of 100 percent of the voting shares (less directors' qualifying shares) of Barclays Bank of New York, New York, N.Y., a proposed new bank.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Superintendent of Banking for the State of New York and requested his views and recommendation. The Superintendent responded that he had no objection to approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on November 13, 1970 (35 F.R. 17451), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, For the reasons set forth in the Board's statement[1] of this date, that said application be and hereby is approved: *Provided*, That the application so approved shall not be consummated (a) before the 30th calendar day following the date of this order, or (b) later than 3 months after the date of this order: *And provided further*, That (c) Barclays Bank of New York shall be opened for business not later than 6 months after the date of this order. The periods described in (b) and (c) hereof may be extended for good cause by the Board, or by the Federal Reserve Bank of New York pursuant to delegated authority.

By order of the Board of Governors,[2] December 29, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 71-71; Filed, Jan. 4, 1971; 8:49 a.m.]

EXCHANGE BANCORPORATION, INC.

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), by Exchange Bancorporation, Inc., which is a bank holding company located in Tampa, Fla., for prior approval by the Board of Governors of the acquisition by applicant of 100 percent (less directors' qualifying shares) of the voting shares of Exchange Bank of North Winter Haven, Winter Haven, Fla., a proposed new bank.

Section 3(c) of the Act provides that the Board shall not approve:

(1) Any acquisition or merger or consolidation under section 3 which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

(2) Any other proposed acquisition or merger or consolidation under section 3 whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of Atlanta.

By order of the Board of Governors, December 28, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 71-67; Filed, Jan. 4, 1971; 8:48 a.m.]

MARSHALL & ILSLEY BANK STOCK CORP.

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), by Marshall & Ilsley Bank Stock Corp., which is a bank holding company located in Milwaukee, Wis., for prior approval by the Board of Governors of the acquisition by applicant of 80 percent or more of the voting shares of State Bank of Mayville, Mayville, Wis.

Section 3(c) of the Act provides that the Board shall not approve:

(1) Any acquisition or merger or consolidation under section 3 which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

(2) Any other proposed acquisition or merger or consolidation under section 3 whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly out-

[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to the Federal Reserve Bank of New York.

[2] Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, and Sherrill. Absent and not voting: Chairman Burns and Governors Maisel and Brimmer.

[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to the Federal Reserve Bank of New York.

[2] Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, and Sherrill. Absent and not voting: Chairman Burns and Governors Maisel and Brimmer.

weighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of Chicago.

By order of the Board of Governors, December 29, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 71-68; Filed, Jan. 4, 1971; 8:48 a.m.]

SOUTHEAST BANCORPORATION, INC.

Order Approving Acquisition of Bank Stock by Bank Holding Company

In the matter of the application of Southeast Bancorporation, Inc., Miami, Fla., for approval of acquisition of 80 percent or more of the voting shares of Deerfield Beach Bank and Trust Co., Deerfield Beach, Fla.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and § 222.3 (a) of Federal Reserve Regulation Y (12 CFR 222.3), and application by Southeast Bancorporation, Inc., Miami, Fla., a registered bank holding company, for the Board's prior approval of the acquisition of 80 percent or more of the voting shares of Deerfield Beach Bank and Trust Co., Deerfield Beach, Fla.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Commissioner of Banking for the State of Florida and requested his views and recommendation. The Commissioner recommended approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on October 17, 1970 (35 F.R. 16345), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired, and all those received have been considered by the Board.

The Board has considered the application in the light of the factors set forth in section 3(c) of the Act, including the effect of the proposed acquisition on competition, the financial and managerial resources of the Applicant and the banks concerned, and the convenience and needs of the communities to be served. Upon such consideration, the Board finds that:

Applicant, the second largest banking organization in Florida, controls 11 banks which hold combined deposits of approximately $841 million, representing close to 7 percent of total deposits held by Florida's commercial banks. (All banking data are as of June 30, 1970, adjusted to reflect holding company formations and acquisitions approved by the Board to date.) Upon acquisition of Bank, Applicant's control of deposits in the State would rise to 7.2 percent.

The relevant banking market is considered to be the northern one-third of Broward County, which includes the cities of Pompano Beach, Lighthouse Point, and Deerfield Beach, and that portion of Palm Beach County which contains the city of Boca Raton. The market is one of the most rapidly growing areas in Florida. Bank, with deposits of $39.5 million, is the smallest among five banking organizations in the relevant banking area, and holds 12.6 percent of commercial bank deposits there. It is reported that five charter applications have been filed seeking to establish new banks in the market. In addition, one new State bank has received charter approval.

Although Applicant is dominant in Dade County, which is to the south of Broward County, Applicant's area of dominance is 60 miles from Bank and no significant competition now exists between Bank and Applicant's Dade County subsidiaries. Applicant's subsidiary located closest to Bank is in Fort Lauderdale, 15 miles south of Bank and, according to the record, derives only a minimal amount of business from Bank's service area. Because of the distances involved and the traffic patterns in the areas concerned, the location of 27 banks in the area intervening between Bank and Applicant's closest subsidiary, the indications that deconcentration will be effected in the relevant market by virtue of the establishment of new banks, and the fact that Florida law prohibits branch banking, it appears that consummation of the proposal herein would not result in the elimination of any significant present competition nor the foreclosure of any significant potential competition between Bank and any of Applicant's subsidiaries. On the record before the Board, considerations relating to the financial condition, management, and prospects of Applicant, its present subsidiaries and Bank are consistent with approval of the application. All banking needs of the North Broward area appear to be served adequately. However, a future need for increased bank services seems likely; and consummation of the proposed acquisition would enable Bank to provide expanded and improved services. It is the Board's judgment that the proposed transaction would be in the public interest, and that the application should be approved.

It is hereby ordered, For the reasons set forth in the findings summarized above, that said application be and hereby is approved: *Provided*, That the action so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order, unless such time shall be extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta, pursuant to delegated authority.

By order of the Board of Governors,[1] December 28, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 71-72; Filed, Jan. 4, 1971; 8:49 a.m.]

SMALL BUSINESS ADMINISTRATION

GROWTH BUSINESS FUNDS, INC.

Notice of Application for License as Small Business Investment Company

Notice is hereby given concerning the filing of an application with the Small Business Administration (SBA) pursuant to § 107.102 of the regulations governing small business investment companies (33 F.R. 326, 13 CFR Part 107), under the name of Growth Business Funds, Inc., Home Federal Building, 2100 East Hallandale Beach Boulevard, Hallandale, FL 33009, for a license to operate in the State of Florida as a small business investment company under the provisions of the Small Business Investment Act of 1958, as amended (15 U.S.C. 661 et seq.).

The proposed officers and directors are as follows:

Alan J. Leinwand, 460 Poinciana Drive, Hallandale, FL 33009, President, General Manager, and Director.

Sheldon Shaffer, 1000 North Lake Drive North, Hollywood, FL 33020, Vice President and Director.

Aaron Schecter, 3424 Pierce Street, Hollywood, FL 33020, Vice President, Director, and Assistant Secretary.

Herbert Warren Goldblatt, 1010 Diplomat Drive, Hallandale, FL 33009, Treasurer and Director.

Paul Bernard Anton, 920 Adams Street, Hollywood, FL 33020, Secretary and Director.

Robert David Rapaport, Casa Bendita, Palm Beach, FL 33480, Director.

There are no persons or concerns owning 10 or more percent of the licensee's stock.

Matters involved in SBA's consideration of the application include the general business reputation and character of the management and the probability of successful operations of the new company under their management, including adequate profitability and financial soundness, in accordance with the Act and regulations. Generally, the company will emphasize equity investments with particular attention to growth potentials whenever it is practicable. It will render management consulting services to

[1] Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sherrill.

clients and other small business concerns. Also, it will conduct its operations principally in the State of Florida.

Notice is further given that any interested person may, not later than 10 days from the date of publication of this notice, submit to SBA, in writing, relevant comments on the proposed company. Any such communication should be addressed to the Associate Administrator for Investment, Small Business Administration, 1441 L Street NW., Washington, DC 20416.

A copy of this notice shall be published in a newspaper of general circulation in Miami, Fla.

JAMES THOMAS PHELAN,
Acting Associate Administrator for Investment.

DECEMBER 18, 1970.

[F.R. Doc. 71-31; Filed, Jan. 4, 1971; 8:46 a.m.]

[Delegation of Authority No. 30-H (Region II), Amdt. 2]

CHIEF, PROCUREMENT AND MANAGEMENT ASSISTANCE DIVISION, REGION II

Delegation of Authority To Conduct Program Activities

Pursuant to the authority delegated to the Regional Director by Delegation of Authority No. 30-H, 35 F.R. 11603, as amended (35 F.R. 15033 and 35 F.R. 17156), Delegation of Authority 30-H (Region II) 35 F.R. 12805, as amended (35 F.R. 18351), is hereby further amended by revising Item I.J., to read as follows:

I. *Regional Division Chiefs, Regional Counsel, and Staffs.* * * *

J. *Chief, Procurement and Management Assistance Division.* 1. To take all necessary actions in connection with the administration and management of grants, agreements, and contracts executed by the Associate Administrator for Procurement and Management Assistance under the authority granted in section 406 of the Economic Opportunity Amendments of 1967, except changes, amendments, modifications, or termination of the original grant, agreement, or contract.

* * * * *

Effective date: October 30, 1970.

CARLOS A. VILLAMIL,
Regional Director, Region II.

[F.R. Doc. 71-30; Filed, Jan. 4, 1971; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 31]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

DECEMBER 24, 1970.

The following letter-notices of proposals to operate over deviation routes for operating convenience only have been filed with the Interstate Commerce Commission under the Commission's Revised Deviation Rules—Motor Carriers of Passengers, 1969 (49 CFR 1042.2(c)(0)) and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 1042.2(c)(9)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 1042.2(c)(9)) at any time, but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's Revised Deviation Rules—Motor Carriers of Property, 1969, will be numbered consecutively for convenience in identification and protests, if any, should refer to such letter-notices by number.

MOTOR CARRIERS OF PASSENGERS

No. MC-1515 (Deviation No. 572), GREYHOUND LINES, INC. (Eastern Division), 1400 West Third Street, Cleveland, OH 44113, filed December 16, 1970. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage, and express and newspapers* in the same vehicle with passengers, over a deviation route as follows: From junction of Rockside Road and Interstate Highway 77 over Interstate Highway 77 to access at Miller Road, thence over Miller Road to junction U.S. Highway 21, thence over U.S. Highway 21 to junction the Ohio Turnpike at Interchange No. 11, thence over the Ohio Turnpike to junction Interstate Highway 80 at Exit No. 15, thence over Interstate Highway 80 to junction Interstate Highway 680, thence over Interstate Highway 680 to Youngstown, Ohio, and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: between Cleveland, Ohio, and Youngstown, Ohio, over U.S. Highway 422.

No. MC-109780 (Deviation No. 32), CONTINENTAL TRAILWAYS, INC. (Central Division), 300 South Broadway Avenue, Post Office 730, Wichita, KS 67201, filed December 15, 1970. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage, and express and newspapers* in the same vehicle with passengers, over a deviation route as follows: From Joliet, Ill., over Interstate Highway 80 to junction Interstate Highway 55, thence over Interstate Highway 55 to junction Illinois Highway 53, near Gardner, Ill., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: From Chicago, Ill., over U.S. Highway 66 to junction Illinois Highway 53 (formerly Alternate U.S. Highway 66), approximately 14 miles north of Joliet, Ill., thence over Illinois Highway 53 via Joliet, Wilmington, Godley, and Gardner, Ill., to junction U.S. Highway 66, and return over the same route.

No. MC-109780 (Deviation No. 33), CONTINENTAL TRAILWAYS, INC. (Central Division), 300 South Broadway Avenue, Post Office Box 730, Wichita, KS 67201, filed December 15, 1970. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage, and express and newspapers* in the same vehicle with passengers, over a deviation route as follows: From Chicago, Ill., over city streets to junction Interstate Highway 55, thence over Interstate Highway 55 to junction U.S. Highway 66, and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: From Chicago, Ill., over U.S. Highway 66 to junction Illinois Highway 53 (formerly Alternate U.S. Highway 66) approximately 14 miles north of Joliet, Ill., thence over Illinois Highway 53 via Joliet, Wilmington, Godley, and Gardner, Ill., to junction U.S. Highway 66, and return over the same route.

No. MC-109780 (Deviation No. 34), CONTINENTAL TRAILWAYS, INC. (Central Division), 300 South Broadway Avenue, Post Office Box 730, Wichita, KS 67201, filed December 15, 1970. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage, and express and newspapers* in the same vehicle with passengers, over a deviation route as follows: From junction U.S. Highway 54 and Interstate Highway 80, located 1.6 miles south of Harvey, Ill., over Interstate Highway 80 to junction Interstate Highway 57, thence over Interstate Highway 57 to junction Illinois Highway 17, thence over Illinois Highway 17 to Kankakee, Ill., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: From Chicago, Ill., over U.S. Highway 41 to Hammond, Ind., thence over U.S. Highway 6 to Harvey, Ill. (also from Hammond over Shibley Boulevard to Harvey), thence over U.S. Highway 54 to Kankakee, Ill., and return over the same route.

No. MC-109780 (Deviation No. 35), CONTINENTAL TRAILWAYS, INC. (Central Division), 300 South Broadway Avenue, Post Office Box 730, Wichita, KS 67201, filed December 15, 1970. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage, and express and newspapers* in the same vehicle with passengers, over a deviation route as follows: From Kankakee, Ill., over Illinois Highway 17 to junction Interstate Highway 57, thence over Interstate Highway 57 to junction U.S. Highway 54, located 1.3 miles west of Onarga, Ill., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as

follows: From Chicago, Ill., over U.S. Highway 41 to Hammond, Ind., thence over U.S. Highway 6 to Harvey, Ill. (also from Hammond over Shibley Boulevard to Harvey), thence over U.S. Highway 54 via Kankakee, Ill., to junction Illinois Highway 115, thence over Illinois Highway 115 to junction U.S. Highway 54, thence over U.S. Highway 54 to Fullerton, Ill., and return over the same route.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[F.R. Doc. 71-9; Filed, Jan. 4, 1971; 8:45 a.m.]

[Notice 219]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

DECEMBER 28, 1970.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC-67 (49 CFR Part 1131) published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protests must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 43685 (Sub-No. 15 TA), filed December 21, 1970. Applicant: MERCER TRUCKING CO., INC., Box 475, Greenacres, WA 99016. Applicant's representative: George R. LaBissoniere, Seattle, Wash. 98101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Heavy machinery and contractors' equipment, materials and supplies* which because of their size or weight require the use of special equipment, between Spokane, Wash., on the one hand, and, on the other, points in Idaho, Oregon, Montana, and Washington, for 180 days. Supporting shippers: Bower Machinery Co., Inc., Terminal Box 2807, Spokane, WA 99220; Air Mac, Inc., East 3710 Trent Avenue, Spokane, WA 99220; Barber Engineering, North 1404 Regal, Spokane, WA 99202; Riblet Tramway Co., Box 5220, Spokane, WA 99205; Andrews Equipment Service of Washington, Inc., East 4620 Trent Avenue, Spokane, WA 99220; and Ziegler Lumber Co., North 4110 Market Street, Spokane, WA 99207. Send protests to: Interstate Commerce Commission, Bureau of Operations, 401 U.S. Post Office, Spokane, WA 99201.

No. MC 112520 (Sub-No. 230 TA) filed December 21, 1970. Applicant. McKENZIE TANK LINES, INC., New Quincy Road, Post Office Box 1200, Tallahassee, FL 32302. Applicant's representative: Sol H. Proctor, 2501 Gulf Life Tower, Jacksonville, FL 32207. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer*, from Adel, Ga., to points in Florida, for 180 days, Supporting shipper: Cotton Producters Association, Post Office Box 2210, Atlanta, GA 30301. Send protests to: District Supervisor G. H, Fauss, Jr., Bureau of Operations, Interstate Commerce Commission, Box 35008, 400 West Bay Street, Jacksonville, FL 32202.

No. MC 123613 (Sub-No. 8 TA) filed December 21, 1970. Applicant: CLAREMONT MOTOR LINES, INC., Post Office Box 296, Highway 64-70 East, Claremont, NC 28610. Applicant's representative: Bill R. Davis, 1919 Gas Light Tower, Atlanta, GA 30303. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture*, from Hickory, Newton, Conover, Claremont, Catawba, Maiden, Lenoir, Granite Falls, Hudson, Joyceton, Lincolnton, Taylorsville, Morganton, Drexel, Valdese, Hildebran, Ashville, Marion, Shelby, Rutherfordton, Mocksville, N.C., and points within 10 miles of each, to points in Michigan and points in New York and Pennsylvania on and west of U.S. Highway 11, for 180 days. Supporting shippers: There are approximately 39 statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: Jack K. Huff, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Suite 417, BSR Building, 316 Morehead Street, Charlotte, NC 28202.

No. MC 124796 (Sub-No. 81 TA), filed December 22, 1970. Applicant: CONTINENTAL CONTRACT CARRIER CORP., Post Office Box 1257, 15045 East Salt Lake Avenue, City of Industry, CA 91747. Applicant's representative: William J. Monheim (same address as above). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Canned and packaged foodstuffs*, from Chicago, Melrose Park, and Carol Stream, Ill., to points in Florida (except Jacksonville) and Texas (except Dallas); (2) *toilet preparations, toilet articles, germicides, buffing and polishing compounds; cleaning, scouring, and washing compounds; solvents; starch; sponges; sweetening compounds; drugs, janitorial supplies, and advertising materials*, from Chicago, Melrose Park, and Carol Stream, Ill., to points in Florida and Texas; and (3) *returned shipments* of the commodities described in (1) and (2) above, from points in the destinations stated above, to Chicago, Melrose Park, and Carol Stream, Ill. Restricted to a transportation service to be performed under a continuing contract, or contracts, with Alberto-Culver Co., for 150 days. Supporting shipper: Alberto-Culver Co., 2525 West Armitage Avenue, Melrose Park, IL 60160. Send protests to: John E. Nance, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 7708, Federal Building, 300 North Los Angeles Street, Los Angeles, CA 90012.

No. MC 125433 (Sub-No: 22 TA), filed December 21, 1970. Applicant: F-B TRUCK LINE COMPANY, 1891 West 2100 South Street, Salt Lake City, UT 84119. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Conduit pipe containing asbestos and cement together with accessories*, coupling, fitting made of plastic and rubber, when traveling as part of the same shipment from Stockton, Calif., to points in Wyoming, for 180 days. Supporting shipper: Johns-Manville Products Corporation of California, Post Office Box 1587, Stockton, CA. Send protests to: John T. Vaughan, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 5239 Federal Building, Salt Lake City, UT 84111.

No. MC 129631 (Sub-No. 15 TA), filed December 21, 1970. Applicant: PACK TRANSPORT, INC., Post Office Box 17233, Salt Lake City, UT 84117. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber and lumber mill products*, from points in Idaho and Montana, to points in Arizona and from points in Coconino, Navaja, Apache, and Yavapai Counties, Ariz., to points in Utah, for 180 days. Supporting shippers: Boise Cascade Corp., Post Office Box 7747, Boise, ID 83707; Davidson Lumber Sales, Inc., 145 West Central Avenue, Salt Lake City, UT 84107; Forest Products Sales, 31 East 33d South, Salt Lake City, UT 84115; Kaibab, Post Office Box 20506, Phoenix, AZ 85036. Send protests to: John T. Vaughan, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 5239 Federal Building, Salt Lake City, UT 84111.

No. MC 133741 (Sub-No. 7 TA) filed December 21, 1970 Applicant: OSBORNE TRUCKING CO., INC., 1008 Sierra Drive, Riverton, WY 82501. Applicant's representative: Robert S. Stauffer, 3539 Boston Road, Cheyenne, WY 82001. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, from Afton and Evanston, Wyo., to points in Iowa, Illinois, and Missouri, for 180 days. Supporting shipper: Star Studs, Inc., Post Office Box 517, Afton, WY 83110. Send protests to: District Supervisor P. A. Naughton, Interstate Commerce Commission, Bureau of Operations, Room 1006, Federal Building and Post Office, 100 East B Street, Casper, WY 82601.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[F.R. Doc. 71-8; Filed, Jan. 4, 1971; 8:45 a.m.]

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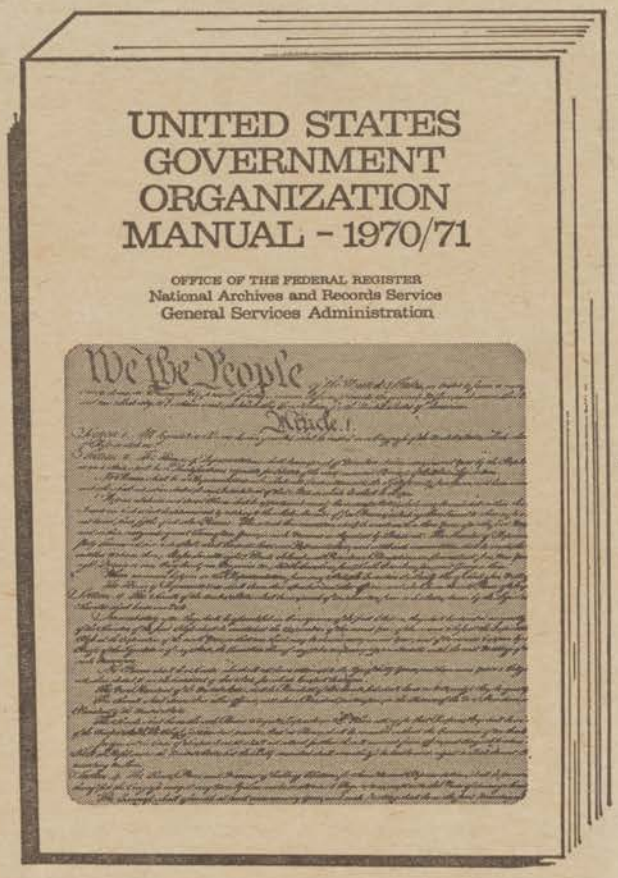

UNITED STATES GOVERNMENT ORGANIZATION MANUAL 1970/71

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