

| | E&P | Foreign taxes |
|---|---------|---------------|
| General | (200u) | 100 |
| | (1100u) | 150 |
| <i>Foreign corporation D Separate Category:</i> | | |
| Passive | 1200u | 400 |
| General | 400u | 100 |
| | 1600u | 500 |

(B) On January 1, 2007, USP foreign corporations C and D merge into foreign corporation B in a reorganization described in section 368(a)(1)(A).
 (ii) *Result.* Although the merger is a foreign section 381 transaction involving a foreign

corporation with no property or tax attributes, paragraph (b) of this section does not apply because more than one foreign corporation with significant tax attributes is involved in the foreign section 381 transaction. Accordingly, under § 1.367(b)-

7(d), foreign surviving corporation B has the following post-1986 undistributed earnings and post-1986 foreign income taxes immediately after the foreign section 381 transaction:

| Separate Category | Earnings & profits | | Foreign taxes | |
|-------------------|--------------------|------------------|-------------------------|--|
| | Positive E&P | Hovering deficit | Foreign taxes available | Foreign taxes associated with hovering deficit |
| General | 1200u | (900u) | \$400 | \$50 |
| Passive | 400u | (200u) | 100 | 100 |
| | 1600u | (1100u) | 500 | 150 |

(e) *Effective date.* This section shall apply to section 367(b) transactions that occur on or after November 6, 2006.

■ **Par. 10.** In § 1.381(a)-1, paragraph (c) is revised to read as follows:

§ 1.381(a)-1 General rule relating to carryovers in certain corporate acquisitions.

* * * * *

(c) *Foreign corporations.* For additional rules involving foreign corporations, see §§ 1.367(b)-7 through 1.367(b)-9.

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Mark E. Matthews,
Deputy Commissioner for Services and Enforcement.

Approved: July 20, 2006.

Eric Solomon,
Acting Deputy Assistant Secretary (Tax Policy).
 [FR Doc. 06-6740 Filed 8-7-06; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[CGD08-06-024]

Drawbridge Operation Regulations; Gulf Intracoastal Waterway, Galveston, TX

AGENCY: Coast Guard, DHS.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, Eighth Coast Guard District, has issued a temporary deviation from the regulation governing the operation of the Galveston Causeway Railroad Bascule Bridge across the Gulf Intracoastal Waterway, mile 357.2 west of Harvey Locks, at Galveston, Galveston County, Texas. This deviation provides for two (2) three-hour closures to conduct scheduled maintenance to the drawbridge.

DATES: This deviation is effective from 7 a.m. until 4 p.m. on Wednesday, August 16, 2006.

ADDRESSES: Materials referred to in this document are available for inspection or copying at the office of the Eighth Coast Guard District, Bridge Administration Branch, Hale Boggs Federal Building,

room 1313, 500 Poydras Street, New Orleans, Louisiana 70130-3310 between 7 a.m. and 3 p.m., Monday through Friday, except Federal holidays. The telephone number is (504) 671-2128. The Bridge Administration Branch of the Eighth Coast Guard District maintains the public docket for this temporary deviation.

FOR FURTHER INFORMATION CONTACT: David Frank, Bridge Administration Branch, telephone (504) 671-2129.

SUPPLEMENTARY INFORMATION: The Burlington Northern Railway Company has requested a temporary deviation from the bridge operating requirements of 33 CFR 117.5 in order to perform necessary maintenance on the rail joints of the Galveston Causeway Railroad Bascule Bridge across the Gulf Intracoastal Waterway, mile 357.2 west of Harvey Locks, at Galveston, Galveston County, Texas. The maintenance is essential for the continued safe operation of the railroad bridge. This temporary deviation will allow the bridge to remain in the closed-to-navigation position from 7 a.m. until 10 a.m. and from 1 p.m. until 4 p.m. on Wednesday, August 16, 2004.

The bridge has a vertical clearance of 10 feet above mean high water in the closed-to-navigation position. Navigation at the site of the bridge consists mainly of tows with barges and some recreational pleasure craft. Due to

prior experience, as well as coordination with waterway users, it has been determined that this closure will not have a significant effect on these vessels. No alternate routes are available.

In accordance with 33 CFR 117.35(c), this work will be performed with all due speed in order to return the bridge to normal operation as soon as possible. This deviation from the operating regulations is authorized under 33 CFR 117.35.

Dated: July 31, 2006.

Marcus Redford,

Bridge Administrator.

[FR Doc. E6-12790 Filed 8-7-06; 8:45 am]

BILLING CODE 4910-15-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 125

[USCG-2006-24189]

Maritime Identification Credentials

AGENCY: Coast Guard, DHS.

ACTION: Notice of acceptable identification credentials; correction.

SUMMARY: This document corrects a typographical error to a statutory citation in the Coast Guard document entitled "Notice of acceptable identification credentials" (USCG-2006-24189) published on April 28, 2006, in the **Federal Register** (71 FR 25066).

DATES: This correction is effective August 8, 2006.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket USCG-2006-24189 and are available for inspection or copying at the Docket Management Facility, U.S. Department of Transportation, room PL-401, 400 Seventh Street, SW., Washington, DC 20590-0001 between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. They may also be viewed online at <http://dms.dot.gov> at any time. Conduct a simple search and enter in the last five digits of the docket number listed above.

FOR FURTHER INFORMATION CONTACT: If you have questions on this correction document, call Amy Bunk, Office of Regulations and Administrative Law, Coast Guard, telephone 202-372-3864. If you have questions on viewing material in the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-493-0402.

SUPPLEMENTARY INFORMATION: The document entitled "Maritime Identification Credentials" (USCG-2006-24189), which published in the **Federal Register** (71 FR 25066) on April 28, 2006, informed the public that the Commandant of the Coast Guard was directing Coast Guard Captains of the Port to prevent access to waterfront facilities to persons that do not have appropriate identification credentials as defined under Coast Guard regulations. The document also identified additional identification documents approved by the Commandant as identification credentials.

In that document the statutory citation for the United States Code section entitled "Annual admission of refugees and admission of emergency situation refugees" had a typographical error and read 8 U.S.C. 1137. The correct citation for that section of the United States Code is 8 U.S.C. 1157.

In FR Doc. 06-4026 published on April 28, 2006, (71 FR 25066) make the following correction. On page 25068, in the first column, change the fifth sentence in the first paragraph to read as follows:

Other acceptable immigration statuses include individuals who possess valid evidence of unrestricted employment and are in a lawful nonimmigrant status, are a refugee admitted under 8 U.S.C. 1157, or are an alien granted asylum under 8 U.S.C. 1158.

Dated: August 2, 2006.

Stefan G. Venckus,

Chief, Office of Regulations and Administrative Law, United States Coast Guard.

[FR Doc. E6-12843 Filed 8-7-06; 8:45 am]

BILLING CODE 4910-15-P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 3

RIN 2900-AM27

Veterans Benefits Act of 2003 and Veterans Benefits Improvement Act of 2004

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the Department of Veterans Affairs (VA) adjudication regulations to incorporate certain provisions from the Veterans Benefits Act of 2003 and the Veterans Benefits Improvement Act of 2004. Specifically, this document amends VA's adjudication regulations regarding plot or interment allowance eligibility, forfeiture of benefits, dependency and

indemnity compensation payments, the Radiation Exposure Compensation Act of 1990, as amended, exclusions from income for pension purposes, benefits for persons disabled by treatment or vocational rehabilitation provided by VA, effective date of death pension, and diseases subject to presumptive service connection. This document also amends VA's adjudication regulations to reflect the establishment of the Social Security Administration as an independent agency and that the Coast Guard is now under the jurisdiction of the Secretary of Homeland Security. These amendments are necessary to conform the regulations to the statutory amendments.

DATES: *Effective Date:* August 8, 2006.

Applicability Dates: In accordance with statutory provisions, the following amendments in this final rule will be applied as follows. The amendment to 38 CFR 3.309 is applicable to payments for periods beginning on or after March 26, 2002. The amendment to 38 CFR 3.715 is applicable to compensation and dependency and indemnity compensation payments for months beginning April 1, 2002. The amendment to 38 CFR 3.1(g)(4) is applicable March 1, 2003. The amendments to 38 CFR 3.152, 3.153, and 3.714 are applicable December 16, 2003. The amendments to 38 CFR 3.1600 and 3.1604 are applicable to claims filed on or after December 16, 2003. The amendment to 38 CFR 3.903 is applicable to claims filed on or after December 17, 2003. The amendment to 38 CFR 3.272 is applicable for periods on or after December 10, 2004. The amendments to 38 CFR 3.362 and 3.800 are applicable in the case of a judgment, settlement, or compromise covered by 38 U.S.C. 1151(b)(1) that becomes final on or after December 10, 2004. The amendment to 38 CFR 3.400 is applicable to claims filed on or after December 10, 2004. The amendment to 38 CFR 3.808 is applicable to benefits awarded pursuant to these regulations by VA on or after December 10, 2004. The amendment to 38 CFR 3.10 is applicable to payments beginning January 1, 2005.

FOR FURTHER INFORMATION CONTACT:

Maya Ferrandino, Consultant, Compensation and Pension Service, Policy and Regulations Staff, Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 273-7210.

SUPPLEMENTARY INFORMATION: The Veterans Benefits Act of 2003 and the Veterans Benefits Improvement Act of 2004, Public Law 108-183 and Public Law 108-454 respectively, added and