

We are issuing this rulemaking under the authority described in "Subtitle VII, Part A, Subpart III, Section 44701: General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

### Regulatory Findings

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify this proposed regulation:

1. Is not a "significant regulatory action" under Executive Order 12866;
2. Is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and
3. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared an economic evaluation of the estimated costs to comply with this proposed AD and placed it in the AD docket.

### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

### The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

### PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

#### § 39.13 [Amended]

2. The FAA amends § 39.13 by adding the following new AD:

**Bell Helicopter Textron Canada:** Docket No. FAA-2007-0177; Directorate Identifier 2007-SW-19-AD.

### Comments Due Date

(a) We must receive comments by December 17, 2007.

### Other Affected ADs

(b) None.

### Applicability

(c) This AD applies to Bell Helicopter Textron Canada (BHTC) Model 430 helicopters with serial numbers 49001 through 49122, certificated in any category.

### Reason

(d) The mandatory continuing airworthiness information (MCAI) states:

It has been determined that the existing rigging procedures for the tail rotor pitch change mechanism have to be changed due to possibility of parts interference.

This "possibility of parts interference" occurs because the cumulative effect of the tolerances on the various parts may result in the total assemblage outboard of the counterweight bellcrank being out of tolerance and the tail rotor yoke may contact nut, P/N 222-012-731-001, before contacting the flapping stop. Further, the manufacturer has indicated that the tail rotor counterweight bellcranks may be misaligned resulting in higher tail rotor pedal forces and higher pilot workload after failure of the #1 hydraulic system. Both the parts interference and the higher pedal forces constitute unsafe conditions.

### Actions and Compliance

(e) Within the next 150 hours time-in-service (TIS) or at the next annual inspection, whichever occurs first, unless already done, do the following actions.

(1) Adjust the rigging of the tail rotor pitch change mechanism in accordance with the Accomplishment Instructions, Paragraphs 1 and 2, in Bell Helicopter Textron Alert Service Bulletin 430-07-39, dated January 9, 2007 (ASB).

(2) If either at full left pedal position or full right pedal position a gap exists between the tail rotor yoke and the flapping stop, replace the tail rotor yoke with an airworthy tail rotor yoke.

(3) If no gap exists between the tail rotor yoke and the flapping stop at either full right or full left pedal position, measure the gap between the tail rotor yoke and nut, P/N 222-012-731-001, adjust the tail rotor pitch change mechanism, and adjust the tail rotor pedal forces in accordance with the Accomplishment Instruction, Paragraphs 4 through 6 of the ASB.

### Differences Between the FAA AD and the MCAI

(f) This AD requires compliance within the next 150 hours TIS or at the next annual inspection, whichever occurs first, instead of "at the next 150 hour or annual inspection but no later than 31 December 2007."

### Subject

(g) Air Transport Association of America (ATA) Code JASC 6720: Tail Rotor Control System, Tail Rotor Pitch Change.

### Other Information

(h) The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, Safety Management Group, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Tyrone Millard, Aviation Safety Engineer, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, Fort Worth, Texas 76193-0111, telephone (817) 222-5439, fax (817) 222-5961.

(2) Airworthy Product: Use only FAA-approved corrective actions. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent) if the State of Design has an appropriate bilateral agreement with the United States. You are required to assure the product is airworthy before it is returned to service.

(3) Reporting Requirements: For any reporting requirement in this AD, under the provisions of the Paperwork Reduction Act, the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120-0056.

### Related Information

(i) MCAI Transport Canada Airworthiness Directive CF-2007-04, dated April 5, 2007, and Bell Helicopter Textron Alert Service Bulletin (ASB) No. 430-07-39, dated January 9, 2007, contain related information.

Issued in Fort Worth, Texas, on November 2, 2007.

**David A. Downey,**

*Manager, Rotorcraft Directorate, Aircraft Certification Service.*

[FR Doc. E7-22440 Filed 11-15-07; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2007-0178; Directorate Identifier 2007-SW-20-AD]

RIN 2120-AA64

### Airworthiness Directives; Bell Helicopter Textron Canada (BHTC) Model 222, 222B, and 222U Helicopters

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** We propose to adopt a new airworthiness directive (AD) for BHTC Model 222, 222B, and 222U helicopters. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The aviation

authority of Canada, with which we have a bilateral agreement, states in the MCAI:

It has been determined that the existing rigging procedures for the tail rotor pitch change mechanism have to be changed due to possibility of parts interference.

The cumulative effect of individual part tolerances resulting in the total assemblage of those parts being out of tolerance could result in the tail rotor yoke striking another part other than the flapping stop (parts interference) cited in the MCAI. Also, the misalignment of the tail rotor counterweight bellcrank may result in higher tail rotor pedal forces and a higher pilot workload after failure of the No. 1 hydraulic system. Both parts interference and the misaligned counterweight bellcrank create an unsafe condition. The proposed AD would require actions that are intended to address these unsafe conditions.

**DATES:** We must receive comments on this proposed AD by December 17, 2007.

**ADDRESSES:** You may send comments by any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Fax:* 202-493-2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590.
- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

#### Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov>, or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the economic evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone (800) 647-5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

#### FOR FURTHER INFORMATION CONTACT:

Tyrone Millard, Aviation Safety Engineer, FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, Fort Worth, Texas 76193-0111, telephone (817) 222-5439, fax (817) 222-5961.

#### SUPPLEMENTARY INFORMATION:

##### Streamlined Issuance of AD

The FAA is implementing a new process for streamlining the issuance of ADs related to MCAI. This streamlined process will allow us to adopt MCAI safety requirements in a more efficient manner and will reduce safety risks to the public. This process continues to follow all FAA AD issuance processes to meet legal, economic, Administrative Procedure Act, and **Federal Register** requirements. We also continue to meet our technical decision-making responsibilities to identify and correct unsafe conditions on U.S.-certificated products.

This proposed AD references the MCAI and related service information that we considered in forming the engineering basis to correct the unsafe condition. The proposed AD contains text copied from the MCAI and for this reason might not follow our plain language principles.

##### Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2007-0178; Directorate Identifier 2007-SW-20-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD based on those comments.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

##### Discussion

Transport Canada, which is the aviation authority for Canada, has issued Canadian Airworthiness Directive No. CF-2007-07, dated April 11, 2007 (referred to after this as "the MCAI"), to correct an unsafe condition for the Canadian-certificated products. The MCAI states:

It has been determined that the existing rigging procedures for the tail rotor pitch change mechanism have to be changed due to possibility of parts interference.

Because the cumulative effect of the tolerances on the various parts may result in the total assemblage outboard of the counterweight bellcrank being out of tolerance, the tail rotor yoke may contact nut, P/N 222-012-731-001,

before contacting the flapping stop, resulting in less tail rotor travel. Additionally, the manufacturer has indicated that the tail rotor counterweight bellcranks may be misaligned resulting in higher tail rotor pedal forces and higher pilot workload after failure of the No. 1 hydraulic system. Both the parts interference and the higher pedal forces constitute unsafe conditions.

You may obtain further information by examining the service information and the MCAI in the AD docket.

##### Relevant Service Information

Bell Helicopter Textron has issued Alert Service Bulletin (ASB) 222-07-104 and ASB 222U-07-75, both dated January 9, 2007. The actions described in the MCAI are intended to correct the same unsafe condition as that identified in the service information.

##### FAA's Determination and Requirements of This Proposed AD

This product has been approved by the aviation authority of Canada, and is approved for operation in the United States. Pursuant to our bilateral agreement with this State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of the same type design.

##### Differences Between This AD and the MCAI or Service Information

We have reviewed the MCAI and related service information and, in general, agree with their substance. But we might have found it necessary to use different words from those in the MCAI to ensure the AD is clear for U.S. operators and is enforceable. In making these changes, we do not intend to differ substantively from the information provided in the MCAI and related service information.

We might also have proposed different actions in this AD from those in the MCAI in order to follow FAA policies. Any such differences are highlighted in the "Differences Between the FAA AD and the MCAI" section in the proposed AD.

##### Costs of Compliance

We estimate that this proposed AD would affect about 86 products of U.S. registry. Also, we estimate that it would take 2 work-hours per product to comply with the basic requirements of this proposed AD. The average labor rate is \$80 per work-hour. A

replacement yoke would cost about \$21,218, assuming the part is no longer under warranty. However, because the service information lists this part as covered under warranty, we have assumed that there will be no charge for this part. Therefore, as we do not control warranty coverage for affected parties, some parties may incur costs higher than estimated here. Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$13,760, or \$160 per helicopter.

**Authority for This Rulemaking**

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. "Subtitle VII: Aviation Programs," describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in "Subtitle VII, Part A, Subpart III, Section 44701: General requirements." Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

**Regulatory Findings**

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify this proposed regulation:

1. Is not a "significant regulatory action" under Executive Order 12866;
2. Is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and
3. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared an economic evaluation of the estimated costs to comply with this proposed AD and placed it in the AD docket.

**List of Subjects in 14 CFR Part 39**

Air transportation, Aircraft, Aviation safety, Safety.

**The Proposed Amendment**

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

**PART 39—AIRWORTHINESS DIRECTIVES**

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

**§ 39.13 [Amended]**

2. The FAA amends § 39.13 by adding the following new AD:

**Bell Helicopter Textron Canada:** Docket No. FAA-2007-0178; Directorate Identifier 2007-SW-20-AD.

**Comments Due Date**

(a) We must receive comments by December 17, 2007.

**Other Affected ADs**

(b) None.

**Applicability**

(c) This AD applies to Bell Helicopter Textron Canada (BHTC) Model 222, serial numbers (S/N) 47006 through 47089; Model 222B, S/N 47131 through 47156, and Model 222U, all serial numbers, helicopters, certificated in any category.

**Reason**

(d) The mandatory continuing airworthiness information (MCAI) states:

It has been determined that the existing rigging procedures for the tail rotor pitch change mechanism have to be changed due to possibility of parts interference.

This "possibility of parts interference" occurs because the cumulative effect of the tolerances on the various parts may result in the total assemblage outboard of the counterweight bellcrank being out of tolerance and the tail rotor yoke may contact nut, P/N 222-012-731-001, before contacting the flapping stop. Further, the manufacturer has indicated that the tail rotor counterweight bellcranks may be misaligned resulting in higher tail rotor pedal forces and higher pilot workload after failure of the No. 1 hydraulic system. Both the parts interference and the higher pedal forces constitute unsafe conditions.

**Actions and Compliance**

(e) Within the next 150 hours time-in-service (TIS) or at the next annual inspection, whichever occurs first, unless already done, do the following actions.

- (1) Adjust the rigging of the tail rotor pitch change mechanism in accordance with the Accomplishment Instructions, Paragraphs 1 and 2, of the applicable Bell Helicopter Textron Alert Service Bulletin (ASB) listed in the following Table 1:

TABLE 1

Helicopter model	Applicable ASB & date
222 and 222B ...	222-07-104 dated January 9, 2007.
222U .....	222U-07-75 dated January 9, 2007.

(2) If either at full left pedal position or full right pedal position a gap exists between the tail rotor yoke and the flapping stop, replace the tail rotor yoke with an airworthy tail rotor yoke.

(3) If no gap exists between the tail rotor yoke and the flapping stop at either full right or full left pedal position, measure the gap between the tail rotor yoke and nut, P/N 222-012-731-001, adjust the tail rotor pitch change mechanism, and adjust the tail rotor pedal forces in accordance with the Accomplishment Instruction, Paragraphs 4 through 6, of the ASB listed in Table 1 of the AD.

**Differences Between the FAA AD and the MCAI**

(f) This AD requires compliance within the next 150 hours TIS or at the next annual inspection, whichever occurs first, instead of "at the next 150 hour or annual inspection but no later than 31 December 2007."

**Subject**

(g) Air Transport Association of America (ATA) Code JASC 6720: Tail Rotor Control System, Tail Rotor Pitch Change.

**Other Information**

(h) The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, Safety Management Group, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Tyrone Millard, Aerospace Engineer; FAA, Rotorcraft Directorate, Rotorcraft Standards Staff, Fort Worth, Texas 76193-0111, telephone (817) 222-5439, fax (817) 222-5961.

(2) Airworthy Product: Use only FAA-approved corrective actions. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent) if the State of Design has an appropriate bilateral agreement with the United States. You are required to assure the product is airworthy before it is returned to service.

(3) Reporting Requirements: For any reporting requirement in this AD, under the provisions of the Paperwork Reduction Act, the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120-0056.

**Related Information**

(i) MCAI Transport Canada Airworthiness Directive CF-2007-07, dated April 11, 2007, and Bell Helicopter Textron ASB Nos. 222-07-104 and 222U-07-75, both dated January 9, 2007, contain related information.

Issued in Fort Worth, Texas, on November 5, 2007.

**David A. Downey,**

*Manager, Rotorcraft Directorate, Aircraft Certification Service.*

[FR Doc. E7-22441 Filed 11-15-07; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF THE INTERIOR

### National Indian Gaming Commission

#### 25 CFR Parts 502, 542, 543, 546, and 547

#### Notice of Extension of Comment Period

**AGENCY:** National Indian Gaming Commission, DOI.

**SUMMARY:** This notice extends the period for comments on the proposed definition for electronic or electromechanical facsimile (72 FR 60482), Class II game classification standards (72 FR 60483), Class II technical standards (72 FR 60495), and Class II minimum internal control standards (72 FR 60508) published in the **Federal Register** on October 24, 2007.

**DATES:** The comment period for the proposed definition for electronic or electromechanical facsimile, Class II game classification standards, Class II technical standards, and Class II minimum internal control standards regulations is extended from December 10, 2007, to January 24, 2008.

**FOR FURTHER INFORMATION CONTACT:** Penny Coleman, John Hay, or Michael Gross at 202/632-7003; fax 202/632-7066 (these are not toll-free numbers).

**SUPPLEMENTARY INFORMATION:** Congress established the National Indian Gaming Commission (NIGC or Commission) under the Indian Gaming Regulatory Act of 1988 (25 U.S.C. 2701 et seq.) (IGRA) to regulate gaming on Indian lands. On October 24, 2007, the proposed definition for electronic or electromechanical facsimile (72 FR 60482), Class II game classification standards (72 FR 60483), Class II technical standards (72 FR 60495), and Class II minimum internal control standards (72 FR 60508) regulations were published in the **Federal Register**.

Dated: November 5, 2007.

**Philip N. Hogen,**

*Chairman, National Indian Gaming Commission.*

**Cloyce V. Choney,**

*Vice Chairman, National Indian Gaming Commission.*

**Norman H. DesRosiers,**

*Commissioner, National Indian Gaming Commission.*

[FR Doc. E7-22409 Filed 11-15-07; 8:45 am]

**BILLING CODE 7565-01-P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-151884-03]

**RIN 1545-BD81**

#### Update and Revision of Sections 1.381(c)(4)-1 and 1.381(c)(5)-1

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

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document contains proposed regulations that provide guidance under sections 381(c)(4) and (c)(5) of the Internal Revenue Code (Code) relating to the accounting method or combination of methods, including the inventory method, to use after certain corporate reorganizations and tax-free liquidations. These proposed regulations clarify and simplify the existing regulations under sections 381(c)(4) and (c)(5). The regulations affect corporations that acquire the assets of other corporations in transactions described in section 381(a).

**DATES:** Written or electronic comments and requests for a public hearing must be received by February 14, 2008.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG-151884-03), Room 5203, Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-151884-03), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at <http://www.regulations.gov/> (IRS REG-151884-03).

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Cheryl Oseekey at (202) 622-4970; concerning submissions of comments

and requests for a hearing, Kelly Banks at (202) 622-7180 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

#### Background and Explanation of Provisions

##### Overview

Section 381 of the Code was enacted in 1954 to provide statutory authority for determining the carryover of certain tax attributes, including accounting methods, in certain corporate reorganizations and tax-free liquidations. Regulations implementing section 381(c)(4) were issued on August 5, 1964 (29 FR 11263). On August 23, 1972, the IRS proposed to revise these regulations (37 FR 16947). On December 23, 1998, the IRS withdrew the regulations that had been proposed in 1972 (63 FR 71047). Regulations implementing section 381(c)(5) were issued on January 15, 1975 (40 FR 2684).

Section 1.381(c)(4)-1 generally provides that after a section 381(a) transaction, the accounting method or combination of methods used by the parties to the section 381(a) transaction prior to the transaction will continue. However, when the accounting methods used prior to the section 381(a) transaction cannot continue to be used after the transaction, § 1.381(c)(4)-1 identifies the accounting method(s) to use after the transaction. Section 1.381(c)(5)-1 provides similar rules regarding inventory accounting methods.

The IRS and the Treasury Department are aware that the current regulations are inconsistent in the treatment of adjustments for inventory methods and for other accounting methods, and that there is confusion regarding the appropriate procedure for making accounting method changes required by section 381. In a notice of proposed rulemaking (68 FR 25310) issued on May 12, 2003, regarding sections 263A and 448, the IRS and the Treasury Department indicated that guidance regarding the accounting method(s) to be used after a section 381(a) transaction was contemplated. This notice of proposed rulemaking provides that guidance.

This notice of proposed rulemaking generally continues many of the provisions of the regulations originally issued in 1964 and 1975 regarding the accounting method or combination of methods to be used by the corporation that acquires the assets of another corporation in a section 381(a) transaction. However, the following