Division Administrator no later than August 31 of each year the following reports related to the HSIP in accordance with 23 U.S.C. 148(g):

(1) A report with a defined one year reporting period describing the progress being made to implement the State HSIP that:

(i) Describes the progress in implementing the projects, including the funds available, and the number and general listing of the types of projects initiated. The general listing of the projects initiated shall be structured to identify how the projects relate to the State SHSP and to the State's safety goals and objectives. The report shall also provide a clear description of the project selection process;

(ii) Assesses the effectiveness of the improvements. This section shall: Provide a demonstration of the overall effectiveness of the HSIP; include figures showing the general highway safety trends in the State by number and by rate; and describe the extent to which improvements contributed to performance goals, including reducing the number of roadway crashes leading to fatalities and serious injuries.

(iii) Describes the High Risk Rural Roads program, providing basic program implementation information, methods used to identify high risk rural roads, information assessing the High Risk Rural Roads program projects, and a summary of the overall High Risk Rural Roads program effectiveness.

(2) A report describing progress being made to implement railway-highway grade crossing improvements in accordance with 23 U.S.C. 130(g), and the effectiveness of these improvements.

(3) A transparency report describing not less than 5 percent of a State's highway locations exhibiting the most

severe safety needs that:

- (i) Identifies potential remedies to those hazardous locations; estimates costs associated with the remedies; and identifies impediments to implementation other than cost associated with those remedies;
- (ii) Emphasizes fatality and serious injury data;
- (iii) At a minimum, uses the most recent three to five years of crash data;
- (iv) Identifies the data years used and describes the extent of coverage of all public roads included in the data analysis:
- (v) Identifies the methodology used to determine how the locations were selected; and
- (vi) Is compatible with the requirements of 29 U.S.C. 794(d), Section 508 of the Rehabilitation Act.

(b) The preparation of the State's annual reports may be financed with

funds made available through 23 U.S.C. 104(b)(1), (3), and (5), 105, 402, and 505, and for metropolitan planning areas, 23 U.S.C. 104(f).

[FR Doc. E8-30168 Filed 12-23-08; 8:45 am] BILLING CODE 4910-22-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9434]

RIN 1545-BC88

Creditor Continuity of Interest; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendment.

SUMMARY: This document contains a correction to final regulations (TD 9434) that were published in the Federal Register on Friday, December 12, 2008 (73 FR75566) providing guidance regarding when and to what extent creditors of a corporation will be treated as proprietors of the corporation in determining whether continuity of interest ("COI") is preserved in a potential reorganization. These final regulations are necessary to provide clarity to parties engaging in reorganizations of insolvent corporations, both inside and outside of bankruptcy. These final regulations affect corporations, their creditors, and their shareholders.

DATES: Effective Date: This correction is effective December 24, 2008 and is applicable on December 12, 2008.

FOR FURTHER INFORMATION CONTACT: Jean Brenner (202) 622-7790, Douglas Bates (202) 622–7550, or Bruce Decker (202) 622-7550 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of this document are under section 368 of the Internal Revenue Code.

Need for Correction

As published, final regulations (TD 9434) contains an error that may prove to be misleading and is in need of clarification.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Correction of Publication

■ Accordingly, 26 CFR part 1 is corrected by making the following correcting amendment:

PART 1—INCOME TAXES

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

Authority: 26 U.S.C. 7805 * * *.

■ Par. 2. Section 1.368–1(e)(6)(ii)(A) is amended by revising the last sentence as follows:

§ 1.368-1 Purpose and scope of exception to reorganization exchanges.

(e) * * * (6) * * *

(ii) * * *

(A) * * * When only one class (or one set of equal classes) of creditors receives issuing corporation stock in exchange for a creditor's proprietary interest in the target corporation, such stock will be counted for measuring continuity of interest provided that the stock issued by the issuing corporation is not de minimis in relation to the total consideration received by the insolvent target corporation, its shareholders, and its creditors.

LaNita Van Dyke,

Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel, (Procedure and Administration). [FR Doc. E8-30716 Filed 12-23-08; 8:45 am] BILLING CODE 4830-01-P

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[TD 9434]

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