

assistance. If an applicant does not have a DUNS number, it can be obtained free of charge through the Dun & Bradstreet (D&B) online Web process at <http://fedgov.dnb.com/webform>. Information on CCR's on-line registration can be found at <http://www.ccr.gov>. Additional information on these requirements can be found at [http://www.grants.gov/applicants/register\\_your\\_organization.jsp](http://www.grants.gov/applicants/register_your_organization.jsp).

**CHAPTER II—FEDERAL RAILROAD ADMINISTRATION, DEPARTMENT OF TRANSPORTATION**

**PART 261—CREDIT ASSISTANCE FOR SURFACE TRANSPORTATION PROJECTS**

3. Revise the authority citation for part 261 to read as follows:

**Authority:** secs. 1501, *et seq.*, Pub. L. 105–178, 112 Stat. 107, 241, as amended; sec. 1601, 1602, Pub. L. 109–59, 119 Stat. 1144; 23 U.S.C. 601–609 and 315; 49 CFR 1.49.

**CHAPTER VI—FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION**

**PART 640—CREDIT ASSISTANCE FOR SURFACE TRANSPORTATION PROJECTS**

4. Revise the authority for Part 640 to read as follows:

**Authority:** secs. 1501, *et seq.*, Pub. L. 105–178, 112 Stat. 107, 241, as amended; sec. 1601, 1602, Pub. L. 109–59, 119 Stat. 1144; 23 U.S.C. 601–609 and 315; 49 CFR 1.51.

5. Add 49 CFR Chapter XIII to read as follows:

**CHAPTER XIII—MARITIME ADMINISTRATION, DEPARTMENT OF TRANSPORTATION**

**PART 1700—CREDIT ASSISTANCE FOR SURFACE TRANSPORTATION PROJECTS**

Sec.

1700.1 Cross-reference to credit assistance.

**Authority:** secs. 1501, *et seq.*, Pub. L. 105–178, 112 Stat. 107, 241, as amended; sec. 1601, 1602, Pub. L. 109–59, 119 Stat. 1144; 23 U.S.C. 601–609 and 315; 49 CFR 1.66.

**§ 1700.1 Cross-reference to credit assistance.**

The regulations in 49 CFR Part 80 shall be followed in complying with the requirements of this part. Title 49, CFR Part 80 implements the Transportation Infrastructure Finance and Innovation Act of 1998, secs. 1501, *et seq.*, (Pub. L. 105–178, 112 Stat. 107, 241), as amended; sec. 1601, 1602, Pub. L. 109–59, 119 Stat. 1144; 23 U.S.C. 601–609.

[FR Doc. E9–1117 Filed 1–16–09; 8:45 am]

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**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

[REG–150670–07]

RIN 1545–BH49

**Guidance Regarding the Treatment of Stock of a Controlled Corporation Under Section 355(a)(3)(B); Correction**

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

**ACTION:** Correction to notice of proposed rulemaking by cross-reference to temporary regulations.

**SUMMARY:** This document contains a correction to a notice of proposed rulemaking by cross-reference to temporary regulations (REG–150670–07) that was published in the **Federal Register** on Monday, December 15, 2008 (73 FR 75979) giving guidance regarding the distribution of stock of a controlled corporation acquired in a transaction described in section 355(a)(3)(B) of the Internal Revenue Code. This action is necessary in light of amendments to section 355(b). The text of those regulations also serves as the text of these proposed regulations. These regulations will affect corporations and their shareholders.

**FOR FURTHER INFORMATION CONTACT:** Russell P. Subin, (202) 622–7790 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The correction notice that is the subject of this document is under section 355 of the Internal Revenue Code.

**Need for Correction**

As published, the notice of proposed rulemaking by cross-reference to temporary regulations (REG–150670–07) contains an error that may prove to be misleading and is in need of clarification.

**Correction of Publication**

Accordingly, the publication of the notice of proposed rulemaking by cross-reference to temporary regulations (REG–150670–07), which was the subject of FR Doc. E8–29545, is corrected as follows:

On page 75980, column 2, under the CFR part heading “PART 1—INCOME TAXES”, line 2 of the authority citation, the language “Section 1.355–2(g) also issued under 26” is corrected to read

“Section 1.355–2(g) and (i) also issued under 26”.

**LaNita Van Dyke,**

*Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).*

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**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

[REG–149519–03]

RIN 1545–BC63

**Section 707 Regarding Disguised Sales, Generally**

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

**ACTION:** Withdrawal of notice of proposed rulemaking.

**SUMMARY:** This document withdraws proposed regulations relating to the treatment of transactions between a partnership and its partners as disguised sales of partnership interests between the partners under section 707(a)(2)(B) of the Internal Revenue Code. The withdrawal affects partnerships and their partners.

**FOR FURTHER INFORMATION CONTACT:** Deane M. Burke or Allison R. Carmody, (202) 622–3070 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

Section 707(a)(2)(B) provides that, under regulations prescribed by the Secretary, if transfers of property between a partner or partners and a partnership, when viewed together, are properly characterized as a sale or exchange of property, such transfers shall be treated as either transactions between the partnership and one who is not a partner or between two or more partners acting other than in their capacity as partners. The legislative history of section 707(a)(2)(B) indicates the provision was adopted as a result of Congressional concern that taxpayers were deferring or avoiding tax on sales of partnership property, including sales of partnership interests, by characterizing sales as contributions of property, including money, followed or preceded by related partnership distributions. See H.R. Rep. No. 861, 98th Cong. 2nd Sess. 861 (1984), 1984–3 (Vol. 2) CB 115. Specifically, Congress was concerned about court decisions that allowed tax-free treatment in cases that were economically