

(directly or indirectly) majority-owned by one or more natural persons or legal entities that meet prong (i) or (ii) of the definition of the term "U.S. person" in the Final Order. For purposes of this alternative prong (iv), majority-owned would mean the beneficial ownership of 50 percent or more of the equity or voting interests in the collective investment vehicle. The alternative prong (iv) would include a minor modification to clarify that it applies regardless of whether the collective investment vehicle is organized or incorporated in the United States. Similar to the alternative prong (ii)(B) discussed above, the collective investment vehicle's place of organization or incorporation would not be determinative of its status as a U.S. person.

The alternative prong (iv) would clarify that a pool, fund, or other collective investment vehicle that is publicly traded will be deemed a U.S. person only if it is offered, directly or indirectly, to U.S. persons. This would address concerns expressed by commenters that ownership verification is particularly difficult for pools, funds, and other collective investment vehicles that are publicly traded.<sup>26</sup>

The alternative prong (iv) would be as follows:

(iv) A commodity pool, pooled account, investment fund, or other collective investment vehicle that is not described in prong (ii) and that is directly or indirectly majority-owned by one or more persons described in prong (i) or (ii), except any commodity pool, pooled account, investment fund, or other collective investment vehicle that is publicly-traded but not offered, directly or indirectly, to U.S. persons.

This alternative proposed prong (iv) is intended to capture collective investment vehicles that are created for the purpose of pooling assets from U.S. investors and channeling these assets to trade or invest in line with the objectives of the U.S. investors, regardless of the place of the vehicle's organization or incorporation. These collective investment vehicles may serve as a means to achieve the investment objectives of their beneficial owners, rather than being separate, active operating businesses. As such, the beneficial owners would be directly exposed to the risks created by the swaps that their collective investment vehicles enter into. The Commission requests comment on all aspects of this alternative prong (iv).

Issued in Washington, DC, on December 21, 2012, by the Commission.

**Sauntia S. Warfield,**

*Assistant Secretary of the Commission.*

### Appendices to Further Proposed Guidance Regarding Compliance With Certain Swap Regulations—Commission Voting Summary

**Note:** The following appendices will not appear in the Code of Federal Regulations.

#### Appendix 1—Commission Voting Summary

On this matter, Chairman Gensler and Commissioners Chilton, O'Malia and Wetjen voted in the affirmative; Commissioner Sommers voted in the negative.

[FR Doc. 2012-31734 Filed 1-4-13; 8:45 am]

**BILLING CODE 6351-01-P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Parts 1 and 301

[REG-148873-09]

RIN 1545-BJ16

#### IRS Truncated Taxpayer Identification Numbers

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

**ACTION:** Notice of proposed rulemaking and notice of public hearing.

**SUMMARY:** This document contains proposed regulations that create a new taxpayer identifying number known as an IRS truncated taxpayer identification number, a TTIN. As an alternative to using a social security number (SSN), IRS individual taxpayer identification number (ITIN), or IRS adoption taxpayer identification number (ATIN), the filer of certain information returns may use a TTIN on the corresponding payee statements to identify the individual being furnished a statement. The TTIN displays only the last four digits of an individual's identifying number and is shown in the format XXX-XX-1234 or \*\*\*-\*\*-1234. These proposed regulations affect filers of certain information returns who will be permitted to identify an individual payee by use of a TTIN on the payee statement furnished to the individual, and those individuals who receive payee statements containing a TTIN.

**DATES:** Written or electronic comments must be received by February 21, 2013. Outlines of topics to be discussed at the public hearing scheduled for March 12, 2013 must be received by February 20, 2013.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG-148873-09), 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-148873-09), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224 or sent electronically, via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS REG-148873-09). The public hearing will be held in the Internal Revenue Service Auditorium, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Tammie A. Geier, (202) 622-3620; concerning submissions of comments, the public hearing, and/or to be placed on the building access list to attend the public hearing, Oluwafunmilayo Taylor of the Publications and Regulations Branch at (202) 622-7180 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

##### Background

This document contains proposed amendments to the Income Tax Regulations (26 CFR Part 1) and the Procedure and Administration Regulations (26 CFR Part 301). These amendments implement the pilot program announced in Notice 2009-93 (2009-51 IRB 863), extended and modified in Notice 2011-38 (2011-20 IRB 785), which together authorized filers of certain information returns to truncate an individual payee's nine-digit identifying number on specified paper payee statements furnished for calendar years 2009 through 2012. See § 601.601(d)(2).

The pilot program was implemented in response to concerns about the risk of identity theft stemming from the inclusion of a taxpayer identifying number on a payee statement. In particular, the risks of misappropriation and subsequent misuse of that number were reported to be greatest with respect to paper payee statements.

##### I. Information Reporting

Information returns are returns, statements, forms, or other documents that must be filed with the IRS to report transactions (for example, payments, distributions, or transfers) with another person in a calendar year. Section 6724(d)(1); Treas. Reg. § 301.6721-1(g)(1). Persons required to file information returns with the IRS are

<sup>26</sup> See Letter from Security Industry and Financial Markets Association (Aug. 27, 2012) at A-20.

filers. Treas. Reg. § 301.6721-1(g)(6). Generally, filers must furnish a statement to the person on the other side of the transaction—the payee—containing the information shown on the information return filed with the IRS. See Treas. Reg. § 301.6721-1(g)(5) (defining “payee” for purposes of sections 6721 and 6722). The payee may be the recipient of a payment (as referred to on Copy B of Form 1099-MISC, “Miscellaneous Income”), a plan participant receiving distributions (as referred to on Copy B of Form 1099-R, “Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, Etc.”), a transferor selling or exchanging real estate (as referred to on Copy B of Form 1099-S, “Proceeds from Real Estate Transactions”), a payer/borrower making interest payments (as referred to on Copy B of Form 1098, “Mortgage Interest Statement”), a debtor whose debt was discharged, canceled or forgiven (as referred to on Copy B of Form 1099-C, “Cancellation of Debt”), or a student receiving scholarships, grants or qualified tuition (as referred to on Copy B of Form 1098-T, “Tuition Statement”). The statement furnished to the payee is referred to as a payee statement. Section 6724(d)(2); Treas. Reg. § 301.6722-1(d)(2). In certain circumstances, persons required to file information returns may file substitute forms with the IRS and furnish substitute form statements to payees rather than use the official IRS forms. Rev. Proc. 2011-60. See § 601.601(d)(2).

## II. Taxpayer Identifying Numbers

Section 6011(a) requires, in part, that every person required to make a return or statement shall include therein the information required by forms or regulations. Regulations, forms, or instructions to forms may require that the filer of an information return include the identifying number of the payee on the corresponding payee statement.

Section 6109(a) authorizes the Secretary to prescribe regulations with respect to the inclusion in returns, statements, or other documents of an identifying number as may be prescribed for securing proper identification of a person. A taxpayer identifying number is also referred to as a TIN, which section 7701(a)(41) defines as the identifying number assigned to a person under section 6109.

Section 6109(a)(3) generally provides that any person required to make a return, statement, or other document with respect to another person shall request from the other person, and shall include in the return, statement, or

other document, the identifying number as may be prescribed for securing proper identification of the other person. Thus, for information reporting purposes, a filer of an information return must request a TIN from the payee and include the TIN on the information return.

Flush language in section 6109(a) states that the identifying number of an individual (or the individual’s estate) is the individual’s social security account number. Section 6109(d) provides that, except as otherwise specified under regulations, the social security account number issued to an individual under the Social Security Act is the identifying number for individuals for purposes of the Code. Regulations provide that the principal types of taxpayer identifying numbers are SSNs, ITINs, ATINs, and employee identification number (EINs). Treas. Reg. § 301.6109-1(a)(1)(i). SSNs, ITINs, and ATINs are used to identify individuals. Treas. Reg. § 301.6109-1(a)(1)(ii). An EIN is used to identify an individual or other person (whether or not an employer). Treas. Reg. § 301.7701-12.

## Summary of Comments

Comments received in response to the Notices, and other feedback from the payor community, reflect that filers’ participation in the pilot was positive. Some filers, however, noted a few limitations that prevented participation. Several commentators suggested expanding the pilot program by recommending that truncation be authorized on a greater number of payee statements, that truncation be permitted on electronically furnished payee statements, and that filers be permitted to truncate an individual payee’s EIN in addition to the other types of taxpayer identifying numbers (SSNs, ITINs, and ATINs) included in the pilot program. A permanent voluntary program was encouraged, rather than a mandatory program. Other commentators suggested that taxpayers could be adversely affected by the truncation of their identifying numbers on payee statements due to the inability to identify errors in the first five masked digits. Also, some state tax authorities stated that the truncation of taxpayer identifying numbers on Federal payee statements that are attached to state income tax returns might hamper state income tax processing. Treasury and the IRS gave serious consideration to the state government concerns, but concluded that truncation is unlikely to hamper state income tax return processing significantly because the vast majority of payee statements attached to state returns are Forms W-2, which are

not subject to the truncation program, and because payee information is available to the states through data sharing programs with the Federal government.

All comments were considered in developing the regulations that, as proposed, create a permanent truncation program. The proposed regulations expand the scope of the pilot program so that filers are permitted to furnish payee statements by electronic means. With regard to including a greater number of payee statements, the pilot program and, therefore, the proposed regulations are limited in scope by statute. For example, section 6051(a)(2) requires that the written statement furnished to employees (Form W-2, “Wage and Tax Statement”) show the name of the employee “and his social security account number.” Accordingly, these proposed regulations do not expand the number of payee statements included beyond those included in the pilot program.

Some commentators reported that the inability to truncate a payee’s EIN on a payee statement resulted in their inability to participate in the pilot program. As described in the comments, some filers could not differentiate the type of identifying number assigned to a payee and/or could not differentiate numbers belonging to individuals. As explained in the comments, the affected filers, because of software limitations, could either truncate all payee identifying numbers, including EINs (whether assigned to an individual or a corporation, for example), or none at all. The IRS believes the misuse of EINs is less frequently an element of identity theft. As these regulations are proposed in response to the risk of identity theft stemming from the inclusion of an individual’s taxpayer identifying number on a payee statement, these proposed regulations do not permit truncation for numbers that may be assigned to taxpayers other than individuals. The IRS seeks further comments regarding the number of filers who are unable to differentiate EINs from payee identifying numbers belonging to individuals and the feasibility of making software changes to address this issue.

Some commentators explained that their systems could not readily accommodate truncation (as exemplified above with respect to EINs) and that filers of information returns have varying volume and procedures. Accordingly, participation in the truncation program proposed by the regulations is voluntary.

## Explanation of Provisions

These proposed regulations create and allow filers of certain information returns to use an IRS truncated taxpayer identification number, a TTIN, to identify individuals on the payee statements corresponding to those information returns. The proposed regulations provide that the TTIN may be used in lieu of a payee's SSN, ATIN, or ITIN, but use of a TTIN is not mandatory. A TTIN may be used only on a payee statement and may be used on payee statements furnished by paper or electronic means. A filer may not use a TTIN on an information return filed with the IRS. A filer may not truncate its own identifying number on information returns or payee statements. A filer may not truncate a payee's EIN under the proposed regulations.

The payee statements on which TTINs may be included are the same statements included in the current pilot program in Notice 2011–38. The current pilot program includes all statements in the Forms 1099, 1098, and 5498 series, with the exception of Form 1098–C, Contributions of Motor Vehicles, Boats, and Airplanes, because that form is not a payee statement but an “acknowledgement.” Any subsequent changes to the list will appear in published guidance.

These proposed regulations also amend certain existing regulations under sections 6042, 6043, 6044, 6045, 6049, 6050A, 6050E, 6050N, 6050P, and 6050S to specifically authorize the use of TTINs on payee statements furnished under those sections. Those regulations set forth requirements for payee statements that could be read as inconsistent with the use of TTINs to identify payees, in some cases requiring that the payee be furnished a copy of the information return filed with the IRS. Other information reporting regulations that do not contain provisions contradictory to the use of TTINs are not being updated in these proposed regulations.

Many of the regulations governing the furnishing of payee statements do not provide for the use of substitute statements. These regulations are not being revised to address substitute statements at this time. For information regarding substitute statements, see Rev. Proc. 2011–60 (2011–52 IRB 934) (or its successor), republished as Publication 1179, “General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns.” Rev. Proc. 2011–60 also contains rules for electronic delivery of payee statements. Provisions relating to the use of TTINs in electronically

furnished payee statements, if any, will be included in successor revenue procedures to Rev. Proc. 2011–60. See § 601.601(d)(2).

## Proposed Effective and Applicability Dates

These regulations are proposed to take effect when published in the **Federal Register** as final regulations. The rules in these proposed regulations may be relied upon by the affected filers before the publication of the Treasury decision.

## Effect on Other Documents

The following publication will be obsolete as of the date this notice of proposed rulemaking is published as final regulations in the **Federal Register**:

Notice 2011–38, 2011–20 IRB 785.

## Special Analyses

It has been determined that these regulations are not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations and, because the regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f), these regulations have been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

## Comments and Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any written (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. The Treasury Department and the IRS request comments on all aspects of the proposed regulations. The Treasury Department and the IRS specifically request comments on issues encountered by filers and payees alike, whether filers should be permitted to truncate a payee's EIN and, if so, why and whether truncation should be permitted on additional types of payee statements. The Treasury Department and the IRS further request that filers provide details as to whether the exclusion of EINs from these regulations prevents them from using TTINs at all. All comments submitted by the public will be made available for public inspection and copying.

A public hearing has been scheduled for February 21, 2013 beginning at 10:00 a.m., in the Internal Revenue Service Auditorium, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224. Due to building security procedures, visitors must enter through the Constitution Avenue entrance. In addition, all visitors must present photo identification to enter the building. Because of access restrictions, visitors will not be admitted beyond the immediate entrance area more than 30 minutes before the hearing starts. For information about having your name placed on the building access list to attend the hearing, see the **FOR FURTHER INFORMATION CONTACT** section of this preamble.

The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who wish to present oral comments at the hearing must submit written or electronic comments by February 21, 2013 and an outline of the topics to be discussed and the time to be devoted to each topic (a signed original and eight (8) copies) by February 20, 2013. A period of ten minutes will be allotted to each person for making comments. An agenda showing the scheduling of speakers will be prepared after the deadline for receiving outlines has passed. Copies of the agenda will be available free of charge at the hearing.

## Drafting Information

The principal author of these regulations is Tammie A. Geier of the Office of the Associate Chief Counsel (Procedure and Administration).

## List of Subjects

### 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

### 26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

## Proposed Amendments to the Regulations

Accordingly, 26 CFR parts 1 and 301 are proposed to be amended as follows:

### PART 1—INCOME TAXES

■ **Paragraph 1.** The general authority citation for part 1 continues to read as follows:

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

■ **Par. 2.** Section 1.6042–4 is amended by revising paragraph (b) to read as follows:

**§ 1.6042-4 Statements to recipients of dividend payments.**

\* \* \* \* \*

(b) *Form and content of the statement.* The statement required by paragraph (a) of this section must be either the official Form 1099 prescribed by the Internal Revenue Service for the respective calendar year or an acceptable substitute statement that contains provisions that are substantially similar to those of the official Form 1099 for the respective calendar year. For further guidance on how to prepare an acceptable substitute statement, see Rev. Proc. 2011-60 (or its successor) republished as Publication 1179, "General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns." See § 601.601(d)(2) of this chapter. An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for an individual recipient. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 3.** Section 1.6043-4 is amended by adding two new sentences to the end of paragraph (b)(4) to read as follows:

**§ 1.6043-4 Information returns relating to certain acquisitions of control and changes in capital structure.**

\* \* \* \* \*

(b) \* \* \*

(4) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for an individual shareholder in lieu of the identifying number appearing on the Form 1099-CAP filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 4.** Section 1.6044-5 is amended by adding two new sentences to the end of paragraph (b) to read as follows:

**§ 1.6044-5 Statements to recipients of patronage dividends.**

\* \* \* \* \*

(b) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for an individual recipient in lieu of the identifying number appearing on the corresponding information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 5.** Section 1.6045-2 is amended by adding two new sentences to the end of paragraph (c) to read as follows:

**§ 1.6045-2 Furnishing statement required with respect to certain substitute payments.**

\* \* \* \* \*

(c) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for an individual customer in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 6.** Section 1.6045-3 is amended by adding two new sentences to the end of paragraph (e)(1) to read as follows:

**§ 1.6045-3 Information reporting for an acquisition of control or a substantial change in capital structure.**

\* \* \* \* \*

(e) \* \* \*

(1) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for an individual customer. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 7.** Section 1.6045-4 is amended by revising paragraph (m)(1) to read as follows:

**§ 1.6045-4 Information reporting on real estate transactions with dates of closing on or after January 1, 1991.**

\* \* \* \* \*

(m) \* \* \*

(1)(i) *Requirement of furnishing statements.* A reporting person who is required to make a return of information under paragraph (a) of this section shall furnish to the transferor whose TIN is required to be shown on the return a written statement of the information required to be shown on such return. The written statement must bear either the legend shown on the recipient copy of Form 1099 or the following: This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

(ii) This requirement may be satisfied by furnishing to the transferor a copy of a completed Form 1099 (or substitute Form 1099 that complies with current revenue procedures). An IRS truncated

taxpayer identifying number (TTIN) may be used as the identifying number for an individual transferor in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

(iii) In the case of a real estate transaction for which a Uniform Settlement Statement is used, this requirement also may be satisfied by furnishing to the transferor a copy of a completed statement that is modified to comply with the requirements of this paragraph (m), and by designating on the Uniform Settlement Statement the items of information (such as gross proceeds or allocated gross proceeds) required to be set forth on the Form 1099. For purposes of this paragraph (m), a statement shall be considered furnished to a transferor if it is given to the transferor in person, either at the closing or thereafter, or is mailed to the transferor at the transferor's last known address.

\* \* \* \* \*

■ **Par. 8.** Section 1.6045-5 is amended by adding two sentences before the last sentence of paragraph (a)(3)(i) to read as follows:

**§ 1.6045-5 Information reporting on payments to attorneys.**

(a) \* \* \*

(3) \* \* \*

(i) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for an individual attorney in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 9.** Section 1.6049-6 is amended by adding paragraph (b)(3) to read as follows:

**§ 1.6049-6 Statements to recipients of interest payments and holders of obligations for attributed original issue discount.**

\* \* \* \* \*

(b) \* \* \*

(3) With respect to both statements to persons receiving payments of interest and persons holding obligations, the statement shall include the name, address, and taxpayer identifying number of such person. An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying

number for an individual person. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 10.** Section 1.6050A-1 is amended by adding two sentences to the end of paragraph (c)(1) to read as follows:

**§ 1.6050A-1 Reporting requirements of certain fishing boat operators.**

\* \* \* \* \*

(c) \* \* \*

(1) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for the individual in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 11.** Section 1.6050E-1 is amended by adding two sentences to the end of paragraph (k)(1) to read as follows:

**§ 1.6050E-1 Reporting of State and local income tax refunds.**

\* \* \* \* \*

(k) \* \* \*

(1) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for the individual in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 12.** Section 1.6050N-1 is amended by adding two sentences to the end of paragraph (b) to read as follows:

**§ 1.6050N-1 Statements to recipients of royalties paid after December 31, 1986.**

\* \* \* \* \*

(b) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for an individual recipient. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

■ **Par. 13.** Section 1.6050P-1 is amended by:

■ a. Removing “section;” from paragraph (f)(1)(i) and adding “section.” in its place; and

■ b. Adding two sentences to the end of paragraph (f)(1)(i) to read as follows:

**§ 1.6050P-1 Information reporting for discharges of indebtedness by certain entities.**

\* \* \* \* \*

(f) \* \* \*

(1) \* \* \*

(i) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the TIN of an individual for whom there was an identifiable event in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations);

\* \* \* \* \*

■ **Par. 14.** Section 1.6050S-1 is amended by:

■ a. Removing “section;” from paragraph (c)(1)(i) and adding “section.” in its place; and

■ b. Adding two sentences to the end of paragraph (c)(1)(i) to read as follows:

**§ 1.6050S-1 Information reporting for qualified tuition and related expenses.**

\* \* \* \* \*

(c) \* \* \*

(1) \* \* \*

(i) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the TIN for the individual in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations);

\* \* \* \* \*

■ **Par. 15.** Section 1.6050S-3 is amended by:

■ a. Removing “section;” from paragraph (d)(1)(i) and adding “section.” in its place; and

b. Adding two sentences to the end of paragraph (d)(1)(i) to read as follows:

**§ 1.6050S-3 Information reporting for payments of interest on qualified education loans.**

\* \* \* \* \*

(d) \* \* \*

(1) \* \* \*

(i) \* \* \* An IRS truncated taxpayer identifying number (TTIN) may be used as the TIN for the individual payor in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109-4 of this chapter (Procedure and Administration Regulations).

\* \* \* \* \*

**PART 301—PROCEDURE AND ADMINISTRATION**

■ **Par. 16.** The authority citation for part 301 continues to read as follows:

Authority: 26 U.S.C. 7805.

■ **Par. 17.** Section 301.6109-4 is added to read as follows:

**§ 301.6109-4 IRS truncated taxpayer identification numbers.**

(a) *In general*—(1) *Definition.* An IRS truncated taxpayer identification number (TTIN) is an individual’s social security number (SSN), IRS individual taxpayer identification number (ITIN), or IRS adoption taxpayer identification number (ATIN) that is truncated by replacing the first five digits of the nine-digit number with Xs or asterisks. The TTIN is shown in the format XXX-XX-1234 or \*\*\*-\*\*-1234.

(2) *Use of a TTIN.* (i) A TTIN may be used by a filer of certain information returns to identify an individual on the corresponding payee statement furnished to the individual, as authorized by regulations, forms or form instructions, or other guidance published by the Internal Revenue Service. A TTIN may not be used on payee statements corresponding to the Form W-2 series, the Form 1098-C (Contributions of Motor Vehicles, Boats, and Airplanes), or where identification of a taxpayer by an SSN, ITIN, or ATIN is mandated by statute.

(ii) A TTIN cannot be used by a filer on any information return filed with the Internal Revenue Service.

(iii) A TTIN may only be used for identifying individuals assigned SSNs, ITINs, or ATINs.

(iv) A filer may not truncate its own taxpayer identifying number on any document.

(v) Use of a TTIN is permissive and not mandatory.

(b) *Definitions*—(1) *Filer.* A *filer* means a person who is required to report a transaction to the Internal Revenue Service on an information return.

(2) *Information return.* An *information return* means the returns, statements, forms, or other documents that businesses must file with the Internal Revenue Service to report transactions with other persons.

(3) *Payee statement.* A *payee statement* means the copy of the information set forth on an information return filed with the IRS that is furnished to the individual payee, recipient, participant, transferor, payer/borrower, debtor, or student, depending upon the specific reporting requirements.

(c) *Effective/applicability date.* This section applies after the date of publication of the Treasury decision adopting these rules as final regulations in the **Federal Register**. The rules in these proposed regulations may be relied upon by the affected filers prior to the publication of final regulations.

**Steven T. Miller,**

*Deputy Commissioner for Services and Enforcement.*

[FR Doc. 2012-31745 Filed 1-2-13; 4:15 pm]

**BILLING CODE 4830-01-P**

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[EPA-R10-OAR-2008-0903; FRL-9768-5]

### Approval and Promulgation of Implementation Plans; Oregon: Open Burning and Enforcement Procedures

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The EPA is proposing to approve revisions to Oregon's State Implementation Plan submitted to the EPA by the Oregon Department of Environmental Quality on February 16, 2001, July 14, 2005, August 28, 2006, and May 20, 2008. The February 16, 2001 submittal relates to open burning rules. The July 2005, August 2006, and May 2008 submittals relate to enforcement procedures, civil penalties, and procedures in contested cases (appeals).

**DATES:** Written comments must be received on or before February 6, 2013.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R10-OAR-2008-0903, by any of the following methods:

- *www.regulations.gov.* Follow the on-line instructions for submitting comments.
- *Mail:* Justin A. Spenillo, EPA, Office of Air, Waste, and Toxics, AWT-107, 1200 Sixth Avenue, Suite 900, Seattle, Washington 98101.
- *Email:* R10-Public Comments@epa.gov.
- *Hand Delivery:* EPA, Region 10 Mailroom, 9th Floor, 1200 Sixth Avenue, Seattle, Washington 98101. Attention: Justin A. Spenillo, Office of Air, Waste, and Toxics, AWT-107. Such deliveries are only accepted during normal hours of operation, and special arrangements should be made for deliveries of boxed information.

*Instructions:* Direct your comments to Docket ID No. EPA-R10-OAR-2008-

0903. The EPA's policy is that all comments received will be included in the public docket without change and may be made available online at *www.regulations.gov*, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information the disclosure of which is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through *www.regulations.gov* or email. The *www.regulations.gov* Web site is an "anonymous access" system, which means the EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to the EPA without going through *www.regulations.gov*, your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, the EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If the EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, the EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

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**FOR FURTHER INFORMATION CONTACT:** Justin A. Spenillo at (206) 553-6125, *spenillo.justin@epa.gov*, or the above EPA, Region 10 address.

**SUPPLEMENTARY INFORMATION:** Throughout this document whenever "we," "us," or "our" are used, it is intended to refer to the EPA.

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### I. This Action

Title I of the Clean Air Act (CAA), as amended by Congress in 1990, specifies the general requirements for states to submit State Implementation Plans (SIPs) to attain and maintain the National Ambient Air Quality Standards (NAAQS) and EPA's actions regarding approval of those SIPs. In this action, the EPA is proposing to approve and incorporate by reference revisions to Oregon's open burning rules submitted by the Oregon Department of Environmental Quality (ODEQ) on February 16, 2001. Oregon's open burning rules are currently codified at Oregon Administrative Rules (OAR) Chapter 340, Division 264.

The EPA is also proposing to approve but not incorporate by reference (with certain exceptions explained below) the enforcement provisions in Chapter 340, Division 12 submitted by ODEQ on July 14, 2005 and August 28, 2006.

We are also proposing to approve but not incorporate by reference revisions related to procedures in contested cases (that is, appeals from ODEQ actions) found at OAR Chapter 340, Division 11. These revisions were submitted by ODEQ on May 20, 2008.

Each of the above described submittals (the February 16, 2001, July 14, 2005, August 28, 2006, and May 20, 2008 submittals) contains an amendment to OAR 340-200-0040, which describes the State's procedures for adopting its Clean Air Act Implementation Plan and references all of the state air regulations that have been adopted by the Environmental Quality Commission for approval into the SIP (as a matter of state law), whether or not they have yet been submitted to or approved by the EPA. We are proposing no action on the revisions to OAR 340-200-0040 in each of ODEQ's SIP submittals because it is unnecessary to take action on a provision addressing State SIP adoption procedures and because the federally-approved SIP consists only of