

identified mixed straddles established after August 1, 2013.* * *

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■ **Par. 3.** Section 1.1092(b)–6T is added to read as follows:

§ 1.1092(b)–6T Mixed straddles; accrued gain and loss associated with a position that becomes part of a section 1092(b)(2) identified mixed straddle that is established after August 1, 2013 (Temporary).

(a) *In general.* Except as otherwise provided, if one or more positions of a section 1092(b)(2) identified mixed straddle were held by the taxpayer on the day prior to the day the section 1092(b)(2) identified mixed straddle is established, any unrealized gain or loss on the day prior to the day the section 1092(b)(2) identified mixed straddle is established with respect to such position or positions is taken into account at the time, and has the character, provided by the provisions of the Internal Revenue Code that would apply to the gain or loss if the section 1092(b)(2) identified mixed straddle were not established. Unrealized gain or loss is the difference between the fair market value of the position or positions on the day before a section 1092(b)(2) identified mixed straddle is established and the taxpayer's basis in that position or positions. See § 1.1092(b)–2T for treatment of holding periods with respect to such positions. Changes in value of the position or positions that occur after the section 1092(b)(2) identified mixed straddle is established are accounted for under the other provisions of § 1.1092(b)–3T.

(b) *Examples.* Paragraph (a) of this section may be illustrated by the following examples. It is assumed in each example that the positions are the only positions held directly or indirectly (through a related person or flowthrough entity) by an individual calendar year taxpayer during the taxable year and no section 1256 contract is substantially identical to an offsetting non-section 1256 contract. It is also assumed that any gain or loss recognized on disposition of any position in the straddle would be capital gain or loss.

Example 1. On August 13, 2013, A enters into a section 1256 contract. As of the close of the day on August 15, 2013, there is \$500 of unrealized loss on the section 1256 contract. On August 16, 2013, A enters into an offsetting non-section 1256 position and makes a valid election to treat the straddle as a section 1092(b)(2) identified mixed straddle. A continues to hold both positions of the section 1092(b)(2) identified mixed

straddle on January 1, 2014. Under these circumstances, A will recognize the \$500 loss on the section 1256 contract that existed prior to establishing the section 1092(b)(2) identified mixed straddle on the last business day of 2013 because the section 1256 contract would be treated as sold on December 31, 2013, (the last business day of the taxable year) under section 1256(a). The loss recognized in 2013 will be treated as 60% long-term capital loss and 40% short-term capital loss. All gains and losses occurring after the section 1092(b)(2) identified mixed straddle is established are accounted for under the applicable provisions in § 1.1092(b)–3T.

Example 2. On September 3, 2012, A enters into a non-section 1256 position. As of the close of the day on August 22, 2013, there is \$400 of unrealized short-term capital gain on the non-section 1256 position. On August 23, 2013, A enters into an offsetting section 1256 contract and makes a valid election to treat the straddle as a section 1092(b)(2) identified mixed straddle. On September 10, 2013, A closes out the section 1256 contract at a \$500 loss and disposes of the non-section 1256 position, realizing an \$875 gain. Under these circumstances, A has \$400 of short-term capital gain attributable to the non-section 1256 position prior to the day the section 1092(b)(2) identified mixed straddle was established. The \$400 unrealized gain earned on the non-section 1256 position will be recognized on September 10, 2013, when the non-section 1256 position is disposed of. The gain will be short-term capital gain because, if the non-section 1256 position had been disposed of prior to establishing the section 1092(b)(2) identified mixed straddle, the gain would not have been long-term capital gain. See § 1.1092(b)–2T for rules concerning holding period. On September 10, 2013, the gain of \$875 on the non-section 1256 position will be reduced to \$475 to take into account the \$400 of unrealized gain when the section 1092(b)(2) identified mixed straddle was established. The \$475 gain on the non-section 1256 position will be offset by the \$500 loss on the section 1256 contract. The net loss of \$25 from the straddle will be treated as 60% long-term capital loss and 40% short-term capital loss because it is attributable to the section 1256 contract.

(c) *Effective/applicability date.* The rules of this section apply to all section 1092(b)(2) identified mixed straddles established after August 1, 2013.

(d) *Expiration date.* The applicability of this section expires on August 1, 2016.

Beth Tucker,
Deputy Commissioner for Operations Support.

Approved: June 16, 2013.

Mark J. Mazur
Assistant Secretary of the Treasury (Tax Policy).

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Parts 100 and 165

[Docket No. USCG–2012–1036]

Safety Zones and Special Local Regulations; Recurring Marine Events in Captain of the Port Long Island Sound Zone

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce special local regulations for one regatta and seven safety zones for five fireworks displays and two swim events in the Sector Long Island Sound area of responsibility on the dates and times listed in the tables below. This action is necessary to provide for the safety of life on navigable waterways during the events. During the enforcement period, no person or vessel may enter the regulated area or safety zones without permission of the Captain of the Port (COTP) Sector Long Island Sound or designated representative.

DATES: The regulations in 33 CFR 100.100 and 33 CFR 165.151 will be enforced during the dates and times that follow in the **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: If you have questions on this notice, call or email Petty Officer Scott Baumgartner, Waterways Management Division, U.S. Coast Guard Sector Long Island Sound; telephone 203–468–4559, email Scott.A.Baumgartner@uscg.mil.

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce the regulated area listed in 33 CFR 100.100 and safety zones listed in 33 CFR 165.151 on the specified dates and times as indicated in tables that follow. If the event is delayed by inclement weather, the regulation will be enforced on the rain date indicated in tables below. These regulations were published in the **Federal Register** on May 24, 2013 (78 FR 31402).

TABLE TO § 100.100

1.7 Hartford Dragon Boat Regatta	<ul style="list-style-type: none"> • Date: August 17, 2013 from 7:30 a.m. until 5:30 p.m. and August 18, 2013 from 8:30 a.m. until 4:30 p.m. • Regulated area: All waters of the Connecticut River in Hartford, CT between the Bulkeley Bridge 41°46'10.10" N, 072°39'56.13" W and the Wilbur Cross Bridge 41°45'11.67" N, 072°39'13.64" W (NAD 83).
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TABLE 1 TO § 165.151

8.3 Old Black Point Beach Association Fireworks	<ul style="list-style-type: none"> • Date: August 17, 2013. • Rain Date: August 18, 2013. • Time: 8:30 p.m. to 10:30 p.m. • Location: Waters off Old Black Point Beach East Lyme, CT in approximate position, 41°17'34.9" N, 072°12'55" W (NAD 83).
8.6 Stamford Fireworks	
8.8 Ascension Fireworks	<ul style="list-style-type: none"> • Date: August 29, 2013. • Rain date: August 30, 2013. • Time: 8 p.m. to 9:30 p.m. • Location: Waters of Stamford Harbor, off Kosciuszco Park, Stamford, CT in approximate position 41°01'48.46" N, 073°32'15.32" W (NAD 83).
9.3 Village of Island Park Labor Day Celebration Fireworks	

TABLE 2 TO § 165.151

1.1 Swim Across the Sound	<ul style="list-style-type: none"> • Date: August 3, 2013. • Time: 9 a.m. to 7 p.m. • Location: Waters of Long Island Sound, Port Jefferson, NY to Captain's Cove Seaport, Bridgeport, CT in approximate positions 40°58'11.71" N, 073°05'51.12" W, north-westerly to the finishing point at Captain's Cove Seaport 41°09'25.07" N, 073°12'47.82" W (NAD 83).
1.5 Stonewall Swim	

Under the provisions of 33 CFR 100.100 and 33 CFR 165.151, the regatta, fireworks displays and swim events listed above are established as a special local regulation or safety zones. During the enforcement period, persons and vessels are prohibited from entering into, transiting through, mooring, or anchoring within the regulated area or safety zones unless they receive permission from the COTP or designated representative.

This notice is issued under authority of 33 CFR part 100, 33 CFR part 165, and 5 U.S.C. 552(a). In addition to this notice in the **Federal Register**, the Coast

Guard will provide the maritime community with advance notification of this enforcement period via the Local Notice to Mariners or marine information broadcasts. If the COTP determines that a regulated area need not be enforced for the full duration stated in this notice, a Broadcast Notice to Mariners may be used to grant general permission to enter the regulated area.

Dated: July 18, 2013.
E. J. Cubanski,
Captain, U.S. Coast Guard, Captain of the Port Sector Long Island Sound.
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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG-2013-0612]

RIN 1625-AA00

Safety Zone; Motion Picture Filming; Chicago River; Chicago, IL

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing three temporary safety