

34.4%. Based on a reliable calculation of discount rates applicable to the anticipated income streams of uncontrolled companies whose resources, capabilities, and rights consist primarily of software applications intangibles and research and development teams similar to USP's platform contributions to the CSA, and which income streams, accordingly, may be reasonably anticipated to reflect a similar risk profile to the differential income stream, the Commissioner concludes that an appropriate discount rate for the anticipated income stream associated with USP's platform contributions (that is, the additional positive or negative income over the duration of the CSA Activity that would result, before PCT Payments, from switching from the licensing alternative to the cost sharing alternative) is 16%, which is significantly less than 34.4%. This conclusion further suggests that Taxpayer's analysis is unreliable. See paragraphs (g)(2)(v)(B)(2) and (g)(4)(vi)(F)(1) and (2) of this section.

(iii) The Commissioner makes an adjustment of \$296 million, so that the present value of the PCT Payments is \$442 million (the median results as shown in column 6 of *Example 2*).

Example 9. The facts are the same as in *Example 1*, except that additional data on discount rates are available that were not available in *Example 1*. The Commissioner determines the arm's length charge for the PCT Payment by discounting at an appropriate rate the differential income stream associated with the rights contributed by USP in the PCT (that is, the stream of income in column (11) of *Example 1*). Based on an analysis of a set of public companies whose resources, capabilities, and rights consist primarily of resources, capabilities, and rights similar to those contributed by USP in the PCT, the Commissioner determines that 15% to 17% is an appropriate range of discount rates to use to assess the value of the differential income stream associated with the rights contributed by USP in the PCT. The Commissioner determines that applying a discount rate of 17% to the differential income stream associated with the rights contributed by USP in the PCT yields a present value of \$446 million, while applying a discount rate of 15% to the differential income stream associated with the rights contributed by USP in the PCT yields a present value of \$510 million. Because the taxpayer's result, \$464 million, is within the interquartile range determined by the Commissioner, no adjustments are warranted. See paragraphs (g)(2)(v)(B)(2), (g)(4)(v), and (g)(4)(vi)(F)(1) of this section.

* * * * *

(l) *Effective/applicability dates.* Except as otherwise provided in this paragraph (l), this section applies on December 16, 2011. Paragraphs (g)(2)(v)(B)(2), (g)(4)(vi)(F)(2), and (g)(4)(viii), *Example 8* of this section apply to taxable years beginning on or after December 19, 2011. Paragraphs (g)(4)(v) and (g)(4)(viii), *Example 9*

apply to taxable years beginning on or after August 27, 2013.

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§ 1.482-7T [Removed]

■ **Par. 3.** Section 1.482-7T is removed.

Beth Tucker,

Deputy Commissioner for Operations Support.

Approved: August 15, 2013.

Mark J. Mazur,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2013-20786 Filed 8-26-13; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 301

[TD 9631]

RIN 1545-BL66

Disclosures of Return Information Reflected on Returns to Officers and Employees of the Department of Commerce for Certain Statistical Purposes and Related Activities

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations and removal of temporary regulations.

SUMMARY: This document contains final regulations that authorize the disclosure of certain items of return information to the Bureau of the Census (Bureau) in conformance with section 6103(j)(1) of the Internal Revenue Code (Code). The final regulations are made pursuant to a request from the Secretary of Commerce. Because the return information will be disclosed to the Bureau in statistical format, specific taxpayers will not be identified, and, therefore, no taxpayers are affected by the disclosures authorized by this guidance.

DATES: *Effective Date:* These regulations are effective on August 27, 2013.

Applicability Date: For dates of applicability, see § 301.6103(j)(1)-1(e).

FOR FURTHER INFORMATION CONTACT: Melissa Avrutine, (202) 622-7950 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document contains amendments to 26 CFR part 301. Section 6103(j)(1)(A) authorizes the Secretary of Treasury to furnish, upon written request by the Secretary of Commerce, such return or return information as the Secretary of Treasury may prescribe by regulation to

officers and employees of the Bureau for the purpose of, but only to the extent necessary in, the structuring of censuses and conducting related statistical activities authorized by law. Section 301.6103(j)(1)-1 of the existing regulations further defines such purposes by reference to 13 U.S.C. chapter 5 and provides an itemized description of the return information authorized to be disclosed for such purposes.

By letter dated July 24, 2009, the Secretary of Commerce requested that additional items of return information be disclosed to the Bureau for purposes of allowing the Bureau to study a developing trend of increased use of contract workers. Specifically, the Secretary of Commerce requested disclosure of the following additional items: (1) Total number of documents reported on Form 1096 transmitting Forms 1099-MISC and (2) total amount reported on Form 1096 transmitting Forms 1099-MISC.

Section 301.6103(j)(1)-1 of the regulations formerly permitted disclosure of the total number of documents reported on Form 1096 transmitting Forms 1099-MISC and the total amount reported on Form 1096 transmitting Forms 1099-MISC. At the request of the Secretary of Commerce, the Treasury Department removed these items from the list of items of return information authorized to be disclosed, as disclosure of this return information was no longer necessary (See TD 9372, 72 FR 73262 [Dec. 27, 2007]).

In 2009, the Secretary of Commerce determined that these items of return information were needed again to provide critical data about contract labor necessary to estimate total employment and payroll in the United States. The employment and compensation data compiled by the Bureau are important to analysts and policy makers in both the public and private sectors. Thus, the Secretary of Commerce asserted that good cause existed to amend § 301.6103(j)(1)-1 of the regulations to restore these items to the list of items of return information that may be disclosed to the Bureau. The Treasury Department and the IRS agree that amending existing regulations to permit disclosure of these items to the Bureau is appropriate to meet the analytical needs of the Bureau.

Explanation of Provisions

On August 26, 2010, the IRS and the Treasury Department published temporary regulations under § 6103(j)(1) and issued a notice of proposed rulemaking cross-referencing those temporary regulations. See TD 9500 (75

FR 52458), REG-137486-09 (75 FR 52486), and 26 CFR 301.6103(j)(1)-1T. No comments were received, and no public hearing was requested or held. These final regulations adopt the proposed rules with no substantive change.

Section 301.6103(j)(1)-1T authorizes disclosure of three items of return information. Upon publication, these final regulations remove § 301.6103(j)(1)-1T because all three items of return information listed in § 301.6103(j)(1)-1T will now be contained in § 301.6103(j)(1)-1. On December 31, 2007, temporary regulations were published authorizing one of the items of return information contained in § 301.6103(j)(1)-1T: The disclosure of categorical information on total qualified research expenses in three ranges (greater than zero, but less than \$1 million; greater than or equal to \$1 million, but less than \$3 million; and greater than or equal to \$3 million) (§ 301.6103(j)(1)(xxv)-1T). See TD 9500 (75 FR 52458). On August 26, 2010, those temporary regulations were finalized, but § 301.6103(j)(1)(xxv)-1T was inadvertently not removed. Accordingly, these final regulations remove those temporary regulations as well as the remaining two items of return information contained in § 301.6103(j)(1)-1T: total number of documents reported on Form 1096 transmitting Forms 1099-MISC and the total amount reported on Form 1096 transmitting Forms 1099-MISC (subsections xxix and xxx of section 6103(j)(1)-1T).

Special Analyses

It has been determined that these final 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 Procedures Act (5 U.S.C. chapter 5) does not apply to these regulations, and because the regulation does 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) of the Code, the notice of proposed rulemaking preceding these regulations was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business, and no comments were received.

Drafting Information

The principal author of these regulations is Melissa Avrutine, Office

of the Associate Chief Counsel (Procedure & Administration).

List of Subjects in 26 CFR Part 301

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

Adoption of Amendments to the Regulations

Accordingly, 26 CFR part 301 is amended as follows:

PART 301—PROCEDURE AND ADMINISTRATION

■ **Paragraph 1.** The authority citation for part 301 continues to read in part as follows:

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

■ **Par. 2.** Section 301.6103(j)(1)-1 is amended by:

■ 1. Adding paragraphs (b)(3)(xxix) and (b)(3)(xxx).

■ 2. Revising paragraph (e).

The additions and revision read as follows:

§ 301.6103(j)(1)-1 Disclosure of return information reflected on returns to officers and employees of the Department of Commerce for certain statistical purposes and related activities.

* * * * *

(b) * * *

(3) * * *

(xxix) Total number of documents reported on Form 1096 transmitting Forms 1099-MISC.

(xxx) Total amount reported on Form 1096 transmitting Forms 1099-MISC.

* * * * *

(e) *Effective/applicability date.* Paragraphs (b)(3)(xxv), (b)(3)(xxix), and (b)(3)(xxx) of this section apply to disclosures to the Bureau of the Census made on or after August 27, 2013. For rules that apply to disclosures to the Bureau of the Census before that date, see 26 CFR 301.6103(j)(1)-1 (revised as of April 1, 2013).

§ 301.6103(j)(1)-1T [Removed]

■ **Par. 3.** Section 301.6103(j)(1)-1T is removed.

Heather C. Maloy,

Acting Deputy Commissioner for Services and Enforcement.

Approved: August 19, 2013.

Mark J. Mazur,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2013-21006 Filed 8-26-13; 8:45 am]

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DEPARTMENT OF THE TREASURY

Fiscal Service

31 CFR Part 356

[Docket No. Fiscal-BPD-2013-0001]

Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and Bonds

Correction

In rule document C1-2013-18178 appearing on page 50335 in the issue of August 19, 2013, make the following correction:

Appendix B to Part 356 [Corrected]

■ 1. On page 50335, in the third column, amendatory instruction 9 should read as set forth below:

“9. On page 46443, in the second column, the tenth line above Table 4, “ T_{i-1} and T_i ” should read “ T_{i-1} and T_i .””

[FR Doc. C2-2013-18178 Filed 8-26-13; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R07-OAR-2013-0446; FRL-9900-39-Region 7]

Approval and Promulgation of Implementation Plans; State of Iowa

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is approving revisions to the State Implementation Plan (SIP) for the state of Iowa. The purpose of these revisions is to update the Polk County Board of Health Rules and Regulations, Chapter V, Air Pollution. The revisions reflect updates to the Iowa statewide rules previously approved by EPA and will ensure consistency between the applicable local agency rules and Federally-approved rules.

DATES: This direct final rule will be effective October 28, 2013 without further notice, unless EPA receives adverse comment by September 26, 2013. If EPA receives adverse comment, we will publish a timely withdrawal of the direct final rule in the **Federal Register** informing the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-R07-OAR-2013-0446, by one of the following methods:

1. www.regulations.gov. Follow the on-line instructions for submitting comments.