

[www.faa.gov/air\\_traffic/publications/airspace\\_amendments/](http://www.faa.gov/air_traffic/publications/airspace_amendments/).

You may review the public docket containing the proposal, any comments received and any final disposition in person in the Dockets Office (see the **ADDRESSES** section for address and phone number) between 9:00 a.m. and 5:00 p.m., Monday through Friday, except federal holidays. An informal docket may also be examined between 8:00 a.m. and 4:30 p.m., Monday through Friday, except federal holidays at the Eastern Service Center, Federal Aviation Administration, Room 350, 1701 Columbia Avenue, College Park, GA 30337.

#### Availability and Summary of Documents for Incorporation by Reference

This document proposes to amend FAA Order 7400.11C, Airspace Designations and Reporting Points, dated August 13, 2018, and effective September 15, 2018. FAA Order 7400.11C is publicly available as listed in the **ADDRESSES** section of this document. FAA Order 7400.11C lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

#### The Proposal

The FAA is considering an amendment to Title 14 Code of Federal Regulations (14 CFR) part 71 to establish Class E airspace extending upward from 700 feet above the surface within a 6.4-mile radius of Hyde County Airport, Engelhard, NC, providing the controlled airspace required to support the new RNAV (GPS) standard instrument approach procedures for IFR operations at Hyde County Airport.

Class E airspace designations are published in Paragraph 6005 of FAA Order 7400.11C, dated August 13, 2018, and effective September 15, 2018, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the Order.

#### Regulatory Notices and Analyses

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore: (1) Is not a “significant regulatory action” under Executive Order 12866; (2) is not a “significant rule” under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal.

Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

#### Environmental Review

This proposal would be subject to an environmental analysis in accordance with FAA Order 1050.1F, “Environmental Impacts: Policies and Procedures” prior to any FAA final regulatory action.

#### Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

#### The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposed to amend 14 CFR part 71 as follows:

#### **PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS**

- 1. The authority citation for part 71 continues to read as follows:

**Authority:** 49 U.S.C. 106(f), 106(g); 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

#### **§ 71.1 [Amended]**

- 2. The incorporation by reference in 14 CFR 71.1 of Federal Aviation Administration Order 7400.11C, Airspace Designations and Reporting Points, dated August 13, 2018, and effective September 15, 2018, is amended as follows:

*Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth.*

\* \* \* \* \*

#### **ASO NC E5 Engelhard, NC [New]**

Hyde County Airport, NC  
(Lat. 35°33'43" N, long. 75°57'20" W)

That airspace extending upward from 700 feet above the surface within a 6.4-mile radius of Hyde County Airport.

Issued in College Park, Georgia, on October 3, 2018.

**Ryan W. Almasy,**

*Manager, operations Support Group, Eastern Service Center, Air Traffic Organization.*

[FR Doc. 2018–22257 Filed 10–12–18; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Parts 1 and 602

[REG–104872–18]

RIN 1545–BO66

#### Removal of Regulations on Advance Payments for Goods and Long-Term Contracts

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

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This notice of proposed rulemaking proposes to streamline IRS regulations by removing regulations that are no longer necessary after the enactment of recent tax legislation. Specifically, these regulations would remove existing regulations regarding advance payments for goods and long-term contracts. The regulations would affect accrual method taxpayers who receive advance payments for goods, including those for inventoriable goods.

**DATES:** Written or electronic comments and requests for a public hearing must be received by January 14, 2019.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG–104872–18), Room 5205, Internal Revenue Service, P.O. 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–104872–18), Courier’s Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC, or sent electronically, via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (IRS REG–104872–18).

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Charles Gorham, (202) 317–5091, or Joanna L. Trebat, (202) 317–6890; concerning submissions of comments and requests for a hearing, Regina Johnson, (202) 317–6901 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

#### Background and Explanation of Provisions

This document proposes to remove § 1.451–5 of the Income Tax Regulations (26 CFR part 1), and its cross-references, relating to the treatment of advance payments for goods and long-term contracts under section 451 of the Internal Revenue Code (Code).

In general, section 451 provides that the amount of any item of gross income is included in gross income for the

taxable year in which it is received by the taxpayer, unless, under the method of accounting used in computing taxable income, the amount is to be properly accounted for as of a different period.

Under § 1.451–1, accrual method taxpayers generally include items of income in the taxable year when all the events have occurred that fix the right to receive the income and the amount of the income can be determined with reasonable accuracy (the “all events” test).

Section 1.451–5 generally allows accrual method taxpayers to defer the inclusion of income for advance payments for goods until the taxable year in which they are properly included in income under the taxpayer’s method of accounting for federal income tax purposes if that method results in the advance payments being included in gross income no later than when the advance payments are recognized in gross receipts under the taxpayer’s method of accounting for financial reporting purposes.

Section 13221 of “An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018,” Public Law 115–97 (the “Act”), amended section 451 by redesignating section 451(b) through (i) as (d) through (k) and adding new subsections (b) and (c).

New section 451(b) generally requires that for accrual method taxpayers the all events test with respect to a particular item of gross income must not be treated as met any later than when the item is taken into account as revenue in a taxpayer’s applicable financial statement, or such other financial statement as the Secretary may prescribe.

New section 451(c) generally requires an accrual method taxpayer that receives any advance payment described in section 451(c)(4) during the taxable year to include the advance payment in income in the taxable year of receipt or make an election to: (1) Include any portion of the advance payment in income in the taxable year of receipt to the extent required under new section 451(b); and (2) include the remaining portion of the advance payment in income in the following taxable year. The election to defer advance payments of goods and services under new section 451(c) is similar to the rules regarding the treatment of advance payments for goods, services, and other specified items provided in Revenue Procedure 2004–34, 2004–1 CB 991. See H.R. Rep. No. 115–466, at 429 (2017) (Conf. Rep.).

New section 451(c) and its election to defer advance payments override the

deferral method provided by § 1.451–5. See H.R. Rep. No. 115–466, at 429 n.880 (2017) (Conf. Rep.). Accordingly, the Treasury Department and the IRS propose to remove § 1.451–5 and its cross references. Removing § 1.451–5 also will ensure that the new deferral rules of section 451(c) apply uniformly and consistently to all taxpayers as well as simplify tax administration.

The rules of section 446 regarding changes in methods of accounting will apply to taxpayers changing a method of accounting for advance payments from a method described in § 1.451–5 to another method. The Treasury Department and the IRS request comments on whether any changes to existing procedural rules under section 446 for changes in methods of accounting are necessary or desirable as a result of removing § 1.451–5.

#### Proposed Applicability Date

The removal of these regulations would apply as of the date the Treasury decision adopting this notice of proposed rulemaking is published in the **Federal Register**.

#### Special Analyses

This regulation is not subject to review under section 6(b) of Executive Order 12866 pursuant to the Memorandum of Agreement (April 11, 2018) between the Department of the Treasury and the Office of Management and Budget regarding review of tax regulations. Because the proposed 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) of the Code, this notice of proposed rulemaking has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

#### Comments and Requests for a Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any comments that are timely submitted to the IRS in the preamble under the **ADDRESSES** section. All comments submitted will be made available at [www.regulations.gov](http://www.regulations.gov) for public inspection and copying.

A public hearing will be scheduled, if requested, by any person who timely submits comments. If a public hearing is scheduled, notice of the date, time, and place for the hearing will be published in the **Federal Register**.

#### Drafting Information

The principal author of this document is Joanna L. Trebat, Office of the Associate Chief Counsel (Income Tax and Accounting). Other personnel from the IRS and Treasury Department participated in its development.

#### List of Subjects

##### 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

##### 26 CFR Part 602

Reporting and recordkeeping requirements.

#### Proposed Amendments to the Regulations

Accordingly, 26 CFR parts 1 and 602 are proposed to be amended as follows:

#### 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 1.381(c)(4)–1 is amended by revising the second sentence of paragraph (b)(2) to read as follows:

##### § 1.381(c)(4)–1 Method of accounting.

\* \* \* \* \*

(b) \* \* \*

(2) \* \* \* The installment method under section 453, the mark-to-market method under section 475, the amortization of bond premium under section 171, the percentage of completion method under section 460, the recurring item exception of § 1.461–5, and the income deferral method under section 455 are examples of special methods of accounting. \* \* \*

\* \* \* \* \*

■ **Par. 3.** Section 1.382–7 is amended by revising the third sentence of paragraph (a) to read as follows:

##### § 1.382–7 Built in gains and losses.

(a) \* \* \* Examples to which this paragraph (a) will apply include, but are not limited to, income received prior to the change date that is deferred under section 455 or Rev. Proc. 2004–34 (2004–1 CB 991 (June 1, 2004)) (or any successor revenue procedure) (see § 601.601(d)(2)(ii)(b)).

\* \* \* \* \*

##### § 1.451–5 [Removed]

■ **Par. 4.** Section 1.451–5 is removed.

##### § 1.861–18 [Amended]

■ **Par. 5.** Section 1.861–18 is amended in paragraph (i)(4) by:

- 1. Removing *Example 2*;
- 2. Designating *Examples 1* and *3* as paragraphs (i)(4)(i) and (ii), respectively; and
- 3. In the heading for newly designated paragraph (i)(4)(ii), removing “3” and adding “2” in its place.

#### § 1.6655–0 [Amended]

■ **Par. 6.** Section 1.6655–0 is amended by removing the entries for § 1.6655–2(f)(3)(i) and (f)(3)(i)(A) and redesignating the entry for § 1.6655–2(f)(3)(i)(B) as § 1.6655–2(f)(3)(i).

#### § 1.6655–2 [Amended]

■ **Par. 7.** Section 1.6655–2 is amended by removing paragraphs (f)(3)(i) heading and (f)(3)(i)(A) and redesignating (f)(3)(i)(B) as (f)(3)(i).

■ **Par. 8.** Section 1.6655–6 is amended in paragraph (c) by:

- 1. Revising the heading and introductory text;
- 2. Removing *Example 1*;
- 3. Designating *Example 2* as paragraph (c)(1) and revising the heading of newly designated paragraph (c)(1); and
- 3. Adding a reserved paragraph (c)(2).

The revisions read as follows:

#### § 1.6655–6 Methods of accounting.

\* \* \* \* \*

(c) *Example.* The following example illustrates the rules of this section:

(1)

*Example.* \* \* \*

\* \* \* \* \*

### PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

■ **Par. 9.** Add an authority citation for part 602 to read as follows:

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

#### § 602.101 [Amended]

■ **Par. 10.** Section 602.101 is amended by removing the entry for § 1.451–5 and the parenthetical authority citation at the end of the section.

**Kirsten Wielobob,**

*Deputy Commissioner for Services and Enforcement.*

[FR Doc. 2018–22025 Filed 10–12–18; 8:45 am]

BILLING CODE 4830–01–P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 301

[REG–104266–18]

RIN 1545–BO12

### Guidance Regarding the Transition Tax Under Section 965 and Related Provisions; Hearing

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

**ACTION:** Proposed rule; notice of hearing.

**SUMMARY:** This document provides a notice of public hearing on proposed regulations relating to section 965 of the Internal Revenue Code as amended by the Tax Cuts and Jobs Act, which was enacted on December 22, 2017.

**DATES:** The public hearing is being held on Monday, October 22, 2018, at 10 a.m. The IRS must receive speakers’ outlines of the topics to be discussed at the public hearing by Tuesday, October 16, 2018.

**ADDRESSES:** The public hearing is being held in the IRS Auditorium, Internal Revenue Service Building, 1111 Constitution Avenue NW, Washington, DC 20224. Due to building security procedures, visitors must enter at the Constitution Avenue entrance. In addition, all visitors must present a valid photo identification to enter the building.

Send Submissions to CC:PA:LPD:PR (REG–104226–18), Room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday to CC:PA:LPD:PR (REG–104226–18), Couriers Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224 or sent electronically via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (IRS REG–104226–18).

#### FOR FURTHER INFORMATION CONTACT:

Concerning the proposed regulations, Leni C. Perkins (202) 317–6934; concerning submissions of comments, the hearing and/or to be placed on the building access list to attend the hearing, Regina Johnson at (202) 317–6901 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:** The subject of the public hearing is the notice of proposed rulemaking (REG–104226–18) that was published in the *Federal Register* on Thursday, August 9, 2018 (83 FR 39514).

The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who wish

to present oral comments at the hearing that submitted written comments by October 9, 2018, must submit an outline of the topics to be addressed and the amount of time to be devoted to each topic by Tuesday, October 16, 2018.

A period of 10 minutes is allotted to each person for presenting oral comments. After the deadline for receiving outlines has passed, the IRS will prepare an agenda containing the schedule of speakers. Copies of the agenda will be made available, free of charge, at the hearing or by contacting the Publications and Regulations Branch at (202) 317–6901 (not a toll-free number).

Because of access restrictions, the IRS will not admit visitors 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 document.

**Martin V. Franks,**

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

[FR Doc. 2018–22345 Filed 10–12–18; 8:45 am]

BILLING CODE 4830–01–P

## DEPARTMENT OF EDUCATION

### 34 CFR Chapter VI

[Docket ID ED–2018–OPE–0076]

RIN 1840–AD36, 1840–AD37, 1840–AD38, 1840–AD40, 1840–AD44

### Negotiated Rulemaking Committee; Negotiator Nominations and Schedule of Committee Meetings—Accreditation and Innovation

**AGENCY:** Office of Postsecondary Education, Department of Education.

**ACTION:** Intent to establish negotiated rulemaking committee.

**SUMMARY:** We announce our intention to establish one negotiated rulemaking committee to prepare proposed regulations for the Federal Student Aid programs authorized under title IV of the Higher Education Act of 1965, as amended (HEA). The committee will include representatives of organizations or groups with interests that are significantly affected by the subject matter of the proposed regulations. We request nominations for individual negotiators who represent key stakeholder constituencies for the issues to be negotiated to serve on the committee, and we set a schedule for committee meetings. We also announce