

in the **Federal Register** (74 FR 3509) containing proposed regulations under sections 301, 302, 304, 351, 354, 355, 356, 358, 368, 861, 1001, and 1016 of the Code. On March 5, 2009, the Treasury Department and the IRS published corrections to the notice of proposed rulemaking in the **Federal Register** (74 FR 9575) (collectively, the 2009 Proposed Regulations).

The 2009 Proposed Regulations generally would have provided a single model for stock basis recovery by a shareholder that receives a distribution to which section 301 applies and a single model for sale and exchange transactions to which section 302(a) applies, including certain elements of an exchange in pursuance of a plan of reorganization under section 368. The 2009 Proposed Regulations also would have defined the scope of the exchange that must be analyzed under particular Code provisions and provided a methodology for determining gain under section 356 and stock basis under section 358.

The 2009 Proposed Regulations responded to comments received by the Treasury Department and the IRS regarding the then-recently published section 358 regulations. These comments included suggestions to expand the tracing rules of the section 358 regulations to stock transfers that are subject to section 351 but do not qualify as reorganizations, as well as questions regarding whether (and, if so, to what extent) shareholder elections constitute terms of an exchange and whether the terms of an exchange control for purposes of qualifying a transaction as a reorganization under section 368.

Finally, the 2009 Proposed Regulations included amendments to the current regulations under section 304 that would have updated those regulations to reflect statutory amendments to that section. See section 226 of the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97-248 (96 Stat. 325, 490) (September 3, 1982), section 712(l) of the Deficit Reduction Act of 1984, Pub. L. 98-369 (98 Stat. 494, 953-55) (July 18, 1984), section 1875(b) of the Tax Reform Act of 1986, Pub. L. 99-514 (100 Stat. 2085, 2894) (October 22, 1986), and section 1013 of the Taxpayer Relief Act of 1997, Pub. L. 105-34 (111 Stat. 788, 918) (August 5, 1997).

The Treasury Department and the IRS received many comments regarding the 2009 Proposed Regulations. The chief concern raised by commenters was that the approach taken in the 2009 Proposed Regulations represented an unwarranted departure from current law

as a result of which minor changes to an overall business transaction could cause meaningful changes to the tax consequences, thereby elevating the form of the transaction over its substance.

After thoroughly considering the comments received, the Treasury Department and the IRS have determined that it is unlikely that the approach of the 2009 Proposed Regulations can be implemented in comprehensive final regulations without significant modifications. As a result, the Treasury Department and the IRS have decided to withdraw the 2009 Proposed Regulations. The Treasury Department and the IRS are continuing to study the issues addressed in the 2009 Proposed Regulations, with a particular focus on issues surrounding sections 301(c)(2) and 304, and § 1.302-2(c) of the Income Tax Regulations.

The Treasury Department and the IRS continue to believe that under current law, the results of a section 301 distribution should derive from the consideration received by a shareholder in respect of each share of stock, notwithstanding designations otherwise. See *Johnson v. United States*, 435 F.2d 1257 (4th Cir. 1971). The Treasury Department and the IRS also continue to believe that, under current law, with respect to redemptions governed by section 302(d), any unrecovered basis in the redeemed stock of a shareholder may be shifted to other stock only if such an adjustment is a proper adjustment within the meaning of § 1.302-2(c). Not all shifts of a redeemed shareholder's unrecovered basis result in proper adjustments, and certain basis adjustments can lead to inappropriate results. See, e.g., Notice 2001-45, 2001-33 I.R.B. 129.

Drafting Information

The principal author of this withdrawal notice is Aglaia Ovtchinnikova of the Office of Associate Chief Counsel (Corporate). However, other personnel from the Treasury Department and the IRS participated in its development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Withdrawal of Notice of Proposed Rulemaking

■ Accordingly, under the authority of 26 U.S.C. 7805, the Treasury Department and the IRS withdraw the notice of proposed rulemaking (REG-143686-07) that was published in the **Federal Register** (74 FR 3509) on January 21, 2009, with corrections that were

published in the **Federal Register** (74 FR 9575) on March 5, 2009.

Kirsten Wielobob,

Deputy Commissioner for Services and Enforcement.

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DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Parts 4, 5, 7, 14, and 19

[Docket No. TTB-2018-0007; Notice No. 176]

RIN 1513-AB54

Modernization of the Labeling and Advertising Regulations for Wine, Distilled Spirits, and Malt Beverages

Correction

In proposed rule 2018-24446 beginning on page 60562 in the issue of Monday, November 26, 2018, make the following corrections:

1. On page 60616, in the second column, section heading “§ 4.04.0 Scope.” should read “§ 4.0 Scope.”.
2. On the same page, in the same column, section heading “§ 4.14.1 Definitions.” should read “§ 4.1 Definitions.”.
3. On page 60617, in the first column, section heading “§ 4.24.2 Territorial extent.” should read “§ 4.2 Territorial extent.”.
4. On the same page, in the same column, section heading “§ 4.34.3 General requirements and prohibitions under the FAA Act.” should read “§ 4.3 General requirements and prohibitions under the FAA Act.”.
5. On the same page, in the third column, section heading “§ 4.44.4 [Reserved]” should read “§ 4.4 [Reserved]”.
6. On the same page, in the same column, section heading “§ 4.54.5 Wines covered by this part.” should read “§ 4.5 Wines covered by this part.”.
7. On the same page, in the same column, section heading “§ 4.64.6 Products produced as wine that are not covered by this part.” should read “§ 4.6 Products produced as wine that are not covered by this part.”.
8. On the same page, in the same column, section heading “§ 4.74.7 Other TTB labeling regulations that apply to wine.” should read “§ 4.7 Other TTB labeling regulations that apply to wine.”.
9. On page 60618, in the first column, section heading “§ 4.84.8 Wine for

export.” should read “§ 4.8 Wine for export.”.

10. On the same page, in the same column, section heading “§ 4.94.9 Compliance with Federal and State requirements.” should read “§ 4.9 Compliance with Federal and State requirements.”.

11. On page 60645, in the first column, section heading “§ 5.05.0 Scope.” should read “§ 5.0 Scope.”.

12. On the same page, in the second column, section heading “§ 5.15.1 Definitions.” should read “§ 5.1 Definitions.”.

13. On page 60646, in the first column, section heading “§ 5.25.2 Territorial extent.” should read “§ 5.2 Territorial extent.”.

14. On the same page, in the same column, section heading “§ 5.35.3 General requirements and prohibitions under the FAA Act.” should read “§ 5.3 General requirements and prohibitions under the FAA Act.”.

15. On the same page, in the second column, section heading “§ 5.4§ 5.4–5.6 [Reserved]” should read “§§ 5.4–5.6 [Reserved]”.

16. On the same page, in the same column, section heading “§ 5.75.7 Other TTB labeling regulations that apply to distilled spirits.” should read “§ 5.7 Other TTB labeling regulations that apply to distilled spirits.”.

17. On the same page, in the third column, section heading “§ 5.85.8 Distilled spirits for export.” should read “§ 5.8 Distilled spirits for export.”.

18. On the same page, in the same column, section heading “§ 5.95.9 Compliance with Federal and State requirements.” should read “§ 5.9 Compliance with Federal and State requirements.”.

19. On page 60672, in the second column, section heading “§ 7.07.0 Scope.” should read “§ 7.0 Scope.”.

20. On the same page, in the same column, section heading “§ 7.17.1 Definitions.” should read “§ 7.1 Definitions.”.

21. On page 60673, in the first column, section heading “§ 7.27.2 Territorial extent.” should read “§ 7.2 Territorial extent.”.

22. On the same page, in the same column, section heading “§ 7.37.3 General requirements and prohibitions under the FAA Act.” should read “§ 7.3 General requirements and prohibitions under the FAA Act.”.

23. On the same page, in the second column, section heading “§ 7.47.4 Jurisdictional limits of the FAA Act.” should read “§ 7.4 Jurisdictional limits of the FAA Act.”.

24. On the same page, in the third column, section heading “§ 7.57.5

Ingredients and processes.” should read “§ 7.5 Ingredients and processes.”.

25. On the same page, in the same column, section heading “§ 7.67.6 Brewery products not covered by this part.” should read “§ 7.6 Brewery products not covered by this part.”.

26. On page 60674, in the first column, section heading “§ 7.77.7 Other TTB labeling regulations that apply to malt beverages.” should read “§ 7.7 Other TTB labeling regulations that apply to malt beverages.”.

27. On the same page, in the same column, section heading “§ 7.87.8 Malt beverages for export.” should read “§ 7.8 Malt beverages for export.”.

28. On the same page, in the same column, section heading “§ 7.97.9 Compliance with Federal and State requirements.” should read “§ 7.9 Compliance with Federal and State requirements.”.

29. On page 60688, in the second column, section heading “§ 14.014.0 Applicability.” should read “§ 14.0 Applicability.”.

30. On the same page, in the same column, section heading “§ 14.114.1 Definitions.” should read “§ 14.1 Definitions.”.

31. On page 60689, in the first column, section heading “§ 14.214.2 Territorial extent.” should read “§ 14.2 Territorial extent.”.

32. On the same page, in the same column, section heading “§ 14.314.3 Delegations of the Administrator’s authorities.” should read “§ 14.3 Delegations of the Administrator’s authorities.”.

33. On the same page, in the second column, section heading “§ 14.414.4 General requirements under the FAA Act.” should read “§ 14.4 General requirements under the FAA Act.”.

34. On the same page, in the third column, section heading “§ 14.514.5 Legibility of mandatory information.” should read “§ 14.5 Legibility of mandatory information.”.

35. On the same page, in the same column, section heading “§ 14.614.6 Mandatory statements.” should read “§ 14.6 Mandatory statements.”.

[FR Doc. C1–2018–24446 Filed 3–27–19; 8:45 am]

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket Number USCG–2019–0014]

RIN 1625–AA08

Special Local Regulations; Sector Ohio Valley Annual and Recurring Special Local Regulations, Update

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes amending and updating its special local regulations for recurring marine parades, regattas, and other events that take place in the Coast Guard Sector Ohio Valley area of responsibility (AOR). Through this notice the current list of recurring special local regulations is updated with revisions, additions, and removals of events that no longer take place in the Sector Ohio Valley AOR. When these special local regulations are enforced, certain restrictions are placed on marine traffic in specified areas. We invite your comments on this proposed rulemaking.

DATES: Comments and related material must be received by the Coast Guard on or before April 12, 2019.

ADDRESSES: You may submit comments identified by docket number USCG–2019–0014 using the Federal eRulemaking Portal at <http://www.regulations.gov>. See the “Public Participation and Request for Comments” portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: If you have questions on this proposed rule, call or email Petty Officer Riley Jackson, Sector Ohio Valley, U.S. Coast Guard; telephone (502) 779–5347, email SECOHV-WWM@uscg.mil.

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

CFR Code of Federal Regulations
 COTP Captain of the Port, Sector Ohio Valley
 DHS Department of Homeland Security
 E.O. Executive Order
 FR Federal Register
 NPRM Notice of proposed rulemaking
 Pub. L. Public Law
 § Section
 U.S.C. United States Code

II. Background, Purpose, and Legal Basis

The Captain of the Port Sector Ohio Valley (COTP) proposes to update the