Pages 11169–11209

FEDERAL REGISTER

VOLUME 28 NUMBER 204

Washington, Friday, October 18, 1963

Contents

(*Continued on next page*)

Codification Guide

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

Monthly, quarterly, and annual cumulative guides, published separately from the daily issues, include the section numbers as well as the part numbers affected.

3 CFR

EXECUTIVE ORDERS:
10847 (revoked by EO 11122)..... 11171
11122..... 11171

7 CFR

PROPOSED RULES:
53..... 11197
81..... 11197
362..... 11197
1071..... 11196

14 CFR

71 [New] (2 documents)..... 11185
95 [New]..... 11185
159 [New]..... 11189

PROPOSED RULES:
71 [New] (2 documents)..... 11197, 11198
73 [New]..... 11199

16 CFR

13 (4 documents)..... 11189–11191

21 CFR

20..... 11191
121..... 11192

26 CFR

1 (2 documents)..... 11173, 11177

43 CFR

192..... 11192

50 CFR

32..... 11192
266..... 11193

FEDERAL REGISTER

Telephone WOrth 3–3261

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Office of the Federal Register, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U.S.C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for $1.50 per month or $15.00 per year, payable in advance. The charge for individual copies (minimum 15 cents) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402.

The regulatory material appearing herein is keyed to the CODE OF FEDERAL REGULATIONS, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended August 5, 1953. The CODE OF FEDERAL REGULATIONS is sold by the Superintendent of Documents. Prices of books and pocket supplements vary.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER, or the CODE OF FEDERAL REGULATIONS.

Presidential Documents

Title 3—THE PRESIDENT

Executive Order 11122

ESTABLISHING THE RURAL DEVELOPMENT COMMITTEE

WHEREAS a substantial number of families, both farm and nonfarm, living in rural areas have relatively low cash incomes and do not share equitably in the economic and social progress of the Nation, and it is desirable to encourage and assist such families by providing greater opportunity for their participation in the Nation's production of goods and services and in community, civic, and other affairs; and

WHEREAS the Federal Government, in cooperation with the several States and local governments and private agencies and individuals, pursues a rural-development program designed to develop the human resources in rural America by a series of concerted actions to identify the needs of low-income rural people and to help them to achieve greater rewards for their contributions to our national progress; and

WHEREAS the meeting of legitimate rural-development needs requires vigorous and sustained Federal effort; and

WHEREAS it is necessary to provide suitable Federal organization for the purpose of promoting the coordination of the efforts of the various departments and agencies in this work:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. There is hereby created the Rural Development Committee (hereinafter referred to as the "Committee") which shall consist of the following members, all ex officio: the Secretary of Agriculture, who shall be the chairman of the Committee, the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Secretary of the Interior, the Secretary of Labor, the Secretary of the Treasury, the Housing and Home Finance Administrator, and the Administrator of the Small Business Administration. The chairman may from time to time invite the participation of officials of other agencies of the executive branch interested in the functions of the Committee. Each member of the Committee may designate an officer of his agency to act for him as a member of the Committee with respect to any matter considered by the Committee.

SEC. 2. The Committee shall provide leadership and uniform policy guidance to the several Federal departments and agencies responsible for rural-development program functions and related activities so that they may take more effective and concerted actions in carrying out those functions and activities and cooperate more effectively with non-Federal participants, both private and governmental, in the work.

SEC. 3. In conducting its activities, the Committee shall place particular emphasis on effective public and private cooperation and leadership for rural development at the State and local levels, and to that end, shall provide guidance for the conduct of Federal rural-development program functions and related activities in a manner designed to produce optimum State, local, and private participation and initiative in identifying and meeting local needs.

SEC. 4. The Secretary of Agriculture and the Secretary of Commerce, jointly and individually, shall institute and maintain appropriate measures for the effective coordination of each of the following: (1) the rural-development program of the Department of Agriculture and the functions of the Department of Commerce under the Area Redevelopment Act (75 Stat. 47), and (2) the activities of the Committee and the activities of the Area Redevelopment Advisory Policy Board (75 Stat. 48).

SEC. 5. Each department and agency responsible for functions and activities that can contribute to the objectives of the rural-development program and related activities shall carry those functions and activities forward in such a manner as to make the fullest possible contribution to the objectives of rural development.

SEC. 6. The departments and agencies represented on the Committee shall, as may be necessary for the purpose of effectuating the provisions of this order, furnish assistance to the Committee in consonance with Section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691). Such assistance may include the detailing of employees to the Committee, one of whom may serve as its executive secretary, to perform such functions consistent with the purpose of this order as the Committee may assign to them.

SEC. 7. Nothing in this order shall be deemed to authorize any executive department or any other executive agency established by law to carry out any program which is inconsistent with law.

SEC. 8. Executive Order No. 10847 of October 12, 1959, is hereby revoked.

JOHN F. KENNEDY

THE WHITE HOUSE,
October 16, 1963.

[F.R. Doc. 63-11106; Filed, Oct. 17, 1963; 11:03 a.m.]

Rules and Regulations

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX

[T.D. 6682]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Treatment of Sales Under a Revolving Credit Plan as Sales on Installment Plan

On October 9, 1962, notice of proposed rule making with respect to the amendment of the Income Tax Regulations (26 CFR Part 1) under section 453 of the Internal Revenue Code of 1954 (relating to the installment method of accounting) to provide rules for treating sales under a revolving credit plan as sales on the installment plan was published in the FEDERAL REGISTER (27 F.R. 9920). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, such regulations are amended as follows:

PARAGRAPH 1. Paragraph (a) of § 1.453–1 is amended to read as follows:

§ 1.453–1 Installment method of reporting income.

(a) *In general.* (1) Section 453 permits dealers in personal property, that is, persons who regularly sell or otherwise dispose of personal property on the installment plan, to elect to return the income from the sale or other disposition thereof on the installment method. To the extent provided in paragraph (d) of § 1.453–2, sales under a revolving credit type plan will be treated as sales on the installment plan and the income from the sales so treated may be returned on the installment method. A dealer who makes sales of personal property under both a revolving credit plan and a traditional installment plan may elect to report only sales under the traditional installment plan on the installment method; or he may elect to report only sales under the revolving credit plan on the installment method; or he may elect to report both sales under the revolving credit plan and the traditional installment plan on the installment method. A traditional installment plan usually has the following characteristics:

(i) The execution of a separate installment contract for each sale of personal property, and

(ii) The retention by the dealer of some type of security interest in such property.

(2) The installment method may also be applied with certain limitations (see paragraph (c) of this section) to the sale or other disposition of real property and the casual sale or other casual disposition of certain personal property.

PAR. 2. Section 1.453–2 is amended to read as follows:

§ 1.453–2 Special rules applicable to dealers in personal property.

(a) *In general.* A person who regularly sells personal property on the installment plan may adopt (but is not required to do so) one of the following four ways of protecting his interest in case of default by the purchaser:

(1) By an agreement that title is to remain in the vendor until the purchaser has completely performed his part of the transaction;

(2) By a form of contract in which title is conveyed to the purchaser immediately, but subject to a lien for the unpaid portion of the selling price;

(3) By a present transfer of title to the purchaser, who at the same time executes a reconveyance in the form of a chattel mortgage to the vendor; or

(4) By conveyance to a trustee pending performance of the contract and subject to its provisions.

(b) *Definition of sale on the installment plan.* The term "sale on the installment plan" means—

(1) A sale of personal property by the taxpayer under any plan for the sale or other disposition of personal property, which plan, by its terms and conditions, contemplates that each sale under the plan will be paid for in two or more payments, or

(2) A sale of personal property by the taxpayer under any plan for the sale or other disposition of personal property—

(i) Which plan, by its terms and conditions, contemplates that such sale will be paid for in two or more payments, and

(ii) Which sale is in fact paid for in two or more payments.

Normally, a sale under a traditional installment plan (as described in paragraph (a)(1) of this section), meets the requirements of subparagraph (1) of this paragraph. See paragraph (d) of this section for the application of the requirements of subparagraph (2) of this paragraph to sales under revolving credit plans.

(c) *Installment income of dealers in personal property.* The income from sales on the installment plan of a dealer, that is, a person regularly engaged in the sale of personal property on the installment plan, may be ascertained by by treating as income that proportion of the total payments received in the taxable year from sales on the installment plan (such payments being allocated to the year against the sales of which they apply) which the gross profit realized or to be realized on the total sales on the installment plan made during each year bears to the total contract price of all such sales made during that respective year. However, if the dealer demonstrates to the satisfaction of the district director that income from sales on the installment plan is clearly reflected, the income from such sales may be ascertained by treating as income that proportion of the total payments received in the taxable year from sales on the installment plan (such payments being allocated to the year against the sales of which they apply) which either (1) the gross profit realized or to be realized on the total credit sales made during each year bears to the total contract price of all credit sales during that respective year, or (2) the gross profit realized or to be realized on all sales made during each year bears to the total contract price of all sales made during that respective year. See, however, paragraph (d)(6)(vi) of this section for rules permitting, under certain circumstances, all sales under a revolving credit plan to be considered as having been made in the taxable year. A dealer who desires to compute income by the installment method shall maintain accounting records in such a manner as to enable an accurate computation to be made by such method in accordance with the provisions of this section, section 446, and § 1.446–1.

(d) *Revolving credit plans.* (1) To the extent provided in this paragraph, sales under a revolving credit plan will be treated as sales on the installment plan. The term "revolving credit plan" includes cycle budget accounts, flexible budget accounts, continuous budget accounts, and other similar plans or arrangements for the sale of personal property under which the customer agrees to pay each billing-month (as defined in subparagraph (6)(iii) of this paragraph) a part of the outstanding balance of his account. Sales under a revolving credit plan do not constitute sales on the installment plan merely by reason of the fact that the total debt at the end of a billing-month is paid in installments. The terms and conditions of a revolving credit plan do not contemplate that each sale under the plan will be paid for in two or more payments and thus do not meet the requirements of paragraph (b)(1) of this section. In addition, since under a revolving credit plan payments are not generally applied to liquidate any particular sale, and since the terms and conditions of such plan contemplate that account balances may be paid in full or in installments, it is generally impossible to determine that a particular sale under a revolving credit plan is to be or is in fact paid for in installments so as to meet the requirements of paragraph (b)(2) of this section. However, subparagraphs (2) and (3) of this paragraph provide rules under which a certain percentage of charges under a revolving credit plan will be treated as sales on the installment plan. For purposes of arriving at this percentage, these rules, in general, treat as sales on the installment plan those sales under a

revolving credit plan (1) which are of the type which the terms and conditions of the plan contemplate will be paid for in two or more installments and (2) which are charged to accounts on which subsequent payments indicate that such sales are being paid for in two or more installments.

(2) (i) The percentage of charges under a revolving credit plan which will be treated as sales on the installment plan shall be computed by making an actual segregation of charges in a probability sample of the revolving credit accounts and by applying the rules contained in subparagraph (3) of this paragraph to determine what percentage of charges in the sample is to be treated as sales on the installment plan. (See subparagraph (5) of this paragraph for rules to be used if some of the sales under a revolving credit plan are nonpersonal property sales (as defined in subparagraph (6) (iv) of this paragraph).) Such segregation shall be made of charges which make up the balances in the sample accounts as of the end of each customer's last billing-month ending within the taxable year. (See subparagraph (6) (v) of this paragraph for rules to be used in determining which charges make up the balance of an account.) However, in making such segregation, any account to which a sale is charged during the taxable year on which no payment is credited after the billing-month within which the sale is made (hereinafter called the "billing-month of sale") and on or before the end of the first billing-month ending in the taxpayer's next taxable year shall be disregarded and not taken into account in the determination of what percentage of charges in the sample is to be treated as sales on the installment plan. In order to obtain a probability sample, the accounts shall be selected in accordance with generally accepted probability sampling techniques. The appropriateness of the sampling technique and the accuracy and reliability of the results obtained must, if requested, be demonstrated to the satisfaction of the district director. If the district director is not satisfied that the taxpayer's sample is appropriate or that the results obtained are accurate and reliable, the taxpayer shall recompute his sample percentage or make appropriate adjustments to his original computations in a manner satisfactory to the district director. The taxpayer shall maintain records in sufficient detail to show the method of computing and applying the sample.

(ii) For taxable years ending before January 31, 1964, a taxpayer who has reported for income tax purposes all or a portion of sales under a revolving credit plan as sales on the installment method may apply the percentage obtained for the first taxable year ending on or after such date in determining the percentage of charges under a revolving credit plan for such prior taxable year (or years) which will be treated as sales on the installment plan.

(3) For the purpose of determining the percentage described in subparagraph (2) of this paragraph, a charge under a revolving credit plan will be treated as a sale on the installment plan only if such charge is a sale (as defined in subparagraph (6) (i) of this paragraph) and meets the requirements contained in subdivisions (i) and (ii) of this subparagraph.

(i) The sale must be of the type which the terms and conditions of the plan contemplate will be paid for in two or more installments. If the aggregate of sales charged during a billing-month to an account under a revolving credit plan exceeds the required monthly payment, then all sales during such billing-month shall be considered to be of the type which the terms and conditions of such plan contemplate will be paid for in two or more installments. The required monthly payment shall be the amount of the payment which the terms and conditions of the revolving credit contract require the customer to make with respect to a billing-month. If the amount of such payment is not fixed at the date the contract is entered into, but is dependent upon the balance of the account, then such amount shall be the amount that the customer is required to pay (but not including any past-due payments) as shown on the statement either (*a*) for the last billing-month ending within the taxpayer's taxable year or (*b*) for the billing-month of sale, whichever method the taxpayer adopts for all his accounts. A taxpayer shall not change such method of determining the required monthly payment based upon the balance of the account without obtaining the consent of the district director. In any case where the required monthly payment is not set in accordance with a consistent method used during the entire taxable year, the district director may determine the required monthly payment in accordance with the method used during the major portion of such taxable year if he determines that the use of such method is necessary in order to reflect properly the income from sales under a revolving credit plan. The requirements stated in this subdivision may be illustrated by the following examples:

Example (*1*). Under the terms of a revolving credit plan the required monthly payment to be made by customer A is $20. During the billing-month ending in December, sales aggregating $80 are charged to customer A's account, and during the next billing-month, ending in January, sales aggregating $19.95 and finance charges of $.60 are charged to A's account. Since the aggregate of sales charged to customer A's account during the billing-month ending in December ($80) exceeds the required monthly payment ($20), the terms and conditions of the plan contemplate that the sales charged during such billing-month are of the type which will be paid for in two or more installments. Since the aggregate of sales charged to customer A's account during the billing-month ending in January ($19.95) does not exceed the required monthly payment, the sales making up the aggregate of sales in such billing-month are not of the type which the terms and conditions of the plan contemplate will be paid for in two or more installments.

Example (*2*). The terms of a revolving credit plan require a payment of 20 percent of the balance of the customer's account as of the end of the billing-month for which the statement is rendered. A customer makes purchases aggregating $25 in his next to the last billing-month ending within the taxpayer's taxable year, and the balance at the end of that month is $150. At the end of the customer's last billing-month ending within the taxpayer's taxable year, the balance of the account has decreased to $110. If the taxpayer determines the required monthly payment by reference to the payment required on the statement for the last billing-month ending within the taxable year and applies such method consistently to all accounts, then the sales making up the $25 aggregate of sales are of the type which the terms and conditions of the plan contemplate will be paid for in two or more installments. Although such aggregate was less than the $30 payment (20% × $150) required on the statement rendered for the billing-month of sale, it was more than the $22 (20% × $110) that the customer was required to pay on the statement rendered for his last billing-month ending within the taxable year, and thus meets the requirements of this subdivision. If, however, the taxpayer determines the required monthly payment by reference to the payment required on the statement for the billing-month of sale, then the sales making up the aggregate of sales during such billing-month do not meet the requirements of this subdivision because such aggregate was less than the $30 payment required on the statement rendered for such month.

(ii) The sale must be charged to an account on which the first payment after the billing-month of sale indicates that the sale is being paid in installments. The first payment after the billing-month of sale indicates that the sale is being paid in installments if, and only if, such payment is an amount which is less than the balance of the account as of the close of the billing-month of sale. For purposes of this subdivision, such balance shall be reduced by any return or allowance credited to the account after the close of the billing-month of sale and before the close of the billing-month within which the first payment after the billing-month of sale is credited to the account, unless the taxpayer demonstrates that the return or allowance was attributable to a charge made in a month subsequent to the billing-month of sale. The requirements stated in this subdivision may be illustrated by the following examples, in which it is assumed that the taxpayer's annual accounting period ends on January 31.

Example (*1*). Customer A's revolving credit account shows the following sales and payments:

Month ending	Aggregate sales in month	Payments	Balance
December 20	$150	0	$150
January 20	75	$30	195
February 20	0	195	0

All sales made in the billing-month ending December 20 meet the requirements of this subdivision because the first payment on the account after such billing-month ($30) was less than the balance of the account as of the close of such billing-month ($150); and none of the sales made in the billing-month ending January 20 meets the requirements of this subdivision because the balance of the account as of the end of such billing-month was liquidated in one payment. By application of the rules of subparagraph (6) (v) of this paragraph, the balance in the account as of the last billing-month ending in the taxable year ($195)

consists of $120 of the $150 of sales made in the billing-month ending December 20 and all of the $75 of sales made in the billing-month ending January 20. Therefore, $120 of the account balance meets the requirements of this subdivision and $75 does not.

Example (2). Customer B's revolving credit account shows the following sales and payments:

Month ending	Aggregate sales in month	Payments	Balance
December 20	$50	0	$50
January 20	100	0	150
February 20	0	$50	100

None of the sales made in the billing-month ending December 20 meets the requirements of this subdivision because the first payment credited to the account after such billing-month ($50) is not less than the balance of the account as of the close of such month ($50). All of the sales made in the billing-month ending January 20 meet the requirements of this subdivision because the first payment after such billing-month ($50) is less than the balance of the account as of the close of such month ($150).

Example (3). Customer C's revolving credit account shows the following purchases and credits:

Month ending	Item	Charges	Credits	Balance
January 20	Coat	$55		
	Dress	40		
	Shirt	5		$100
February 20	Return		$5	
	Payment		95	0

None of the sales made in the billing-month ending January 20 meets the requirements of this subdivision because the first payment credited to the account after such billing-month ($95) was equal to the balance of the account as of the end of such billing-month, $95. For this purpose, the balance of $100 is reduced by the $5 return which was credited to the account after the close of the billing-month of sale and before the close of the billing-month within which the first payment after the billing-month of sale is credited.

(4) The provisions of subparagraphs (2) and (3) of this paragraph may be illustrated by the following examples in which it is assumed that the taxpayer is a dealer in personal property whose annual accounting period ends on January 31.

Example (1). Customer A's revolving credit ledger account shows the following:

Month ending	Aggregate sales in month [1]	Returns and allowances	Payments	Finance charges	Balance
January 20	$15.00	0	0	0	$15.00
February 20	0	0	0	$0.15	15.15

[1] Including sales of personal property and nonpersonal property sales.

For purposes of the segregation provided for in subparagraph (2)(i) of this paragraph, customer A's account will be disregarded and not taken into account in the determination of what percentage of charges in the sample is to be treated as sales on the installment plan because no payment was credited to that account after the billing-month of sale and on or before February 20.

Example (2). Under the terms of the taxpayer's revolving credit plan, payments are required in accordance with the following schedule:

Unpaid balance:	*Required monthly payment*
$0—$99.99	$20
$100—$199.99	40
$200—$299.99	60

Customer B's revolving credit ledger account shows the following:

Month ending	Aggregate sales in month [1]	Returns and allowances	Payments	Finance charges	Balance
October 20	$55.00	0	0	0	$55.00
November 20	45.00	0	$20.00	$.35	80.35
December 20	20.00	0	20.00	.60	80.95
January 20	26.00	$5.00	20.00	.61	82.56
February 20	0	10.00	72.56	0	0

[1] Including sales of personal property and nonpersonal property sales.

The three $20 payments and the $5 return or allowance made in the billing-months ending in the taxable year are applied, under the rules in subparagraph (6)(v), to liquidate the earliest outstanding charges, first to the $55 aggregate of sales in the billing-month ending October 20 and next to $10 of the aggregate of sales made in the billing-month ending November 20. Thus, the balance of the account as of the close of the billing-month ending January 20, $82.56, is made up as follows:

Remainder of sales in billing-month ending Nov. 20 ($45–$10)	$35.00
Finance charge for billing-month ending Nov. 20	.35
Sales for billing-month ending Dec. 20	20.00
Finance charge for billing-month ending Dec. 20	.60
Sales for billing-month ending Jan. 20	26.00
Finance charge for billing-month ending Jan. 20	.61
	$82.56

The sales of $35 remaining from the aggregate of sales for the billing-month ending November 20 meet the requirements of subparagraph (3)(i) of this paragraph because the aggregate of sales charged during such billing-month ($45) exceeds the required monthly payment ($20), and such sales meet the requirements of subparagraph (3)(ii) of this paragraph because the first payment after the billing-month of sale ($20) is an amount less than the balance of the account as of the close of such month ($80.35). Therefore, $35 of sales will be treated as sales on the installment plan. The $20 aggregate of sales charged during the billing-month ending December 20 does not meet the requirements of subparagraph (3)(i) of this paragraph because it is in an amount which does not exceed the required monthly payment ($20). (The finance charge of $.60 added in the billing-month does not enter into the determination of the aggregate of sales for the month because the term "sales" (as defined in subparagraph (6)(i) of this paragraph) does not include finance charges.) The $26 aggregate of sales for the billing-month ending January 20 does not meet the requirements of subparagraph (3)(ii) of this paragraph because the first payment after such billing-month ($72.56) was equal to the balance of the account as of the close of such billing-month ($72.56). For this purpose, the balance of $82.56 is reduced by the $10 return or allowance which was credited after the billing-month of sale and before February 20. Thus, of the $82.56 balance of B's account as of the close of the last billing-month ending within corporation X's taxable year, $35 will be treated as sales on the installment plan for purposes of determining the percentage provided for in subparagraph (2) of this paragraph.

(5) Sales under a revolving credit plan which are nonpersonal property sales (as defined in subparagraph (6)(iv) of this paragraph) do not constitute sales on the installment plan. Therefore, the charges under a revolving credit plan must be reduced by the nonpersonal property sales, if any, under such plan, before application of the sample percentage as provided for in subparagraph (2)(i) of this paragraph. The taxpayer may treat as the nonpersonal property sales under the plan for the taxable year an amount which bears the same ratio to the total sales under the revolving credit plan made in the taxable year as the total nonpersonal property sales made in such year bears to the total sales made in such year.

(6) For purposes of this section—

(i) The term "sales" includes sales of services, such as a charge for watch repair, as well as sales of property, but does not include finance or service charges.

(ii) The term "charges" includes sales of services and property as well as finance or service charges.

(iii) A billing-month is that period of time for which a periodic statement of charges and credits is rendered to a customer.

(iv) The term "nonpersonal property sales" means all sales which are not sales of personal property made by the taxpayer. Thus, sales of a department leased by the taxpayer to another are nonpersonal property sales. Likewise, charges for services rendered by the taxpayer are nonpersonal property sales unless such services are incidental to and rendered contemporaneously with the sale of personal property, in which case such charges shall be considered as constituting part of the selling price of such property.

(v) Each payment received from a customer under a revolving credit plan before the close of the last billing-month ending in the taxable year shall be applied to liquidate the earliest outstanding charges under such plan, notwithstanding any rule of law or contract provision to the contrary. For purposes of determining which charges remain in the balance of an account at the end of the last billing-month ending in the taxable year, the taxpayer may apply returns and allowances which are credited before the close of the last billing-month ending in the taxable year either (*a*) to liquidate or reduce the charge for the specific item so returned or for which an allowance is permitted, or (*b*) to liquidate or reduce the earliest outstanding charges. The method so selected for applying returns and allowances shall be followed on a consistent basis from year to year unless the district director consents to a change. Additionally, finance or service charges which are computed on the basis of the balance of the account at the end of the previous billing-month (usually reduced by payments during the current billing-month) are accrued at the end of the current billing-month and are therefore considered, for purposes of determining the earliest outstanding charges, as charged to the account after any sales made during the current billing-month.

(vi) The taxpayer shall allocate those sales under a revolving credit plan which

are treated as sales on the installment plan to the proper year of sale in order to apply the appropriate gross profit percentage as provided for in paragraph (c) of this section. This allocation shall be made on the basis of the percentages of charges treated as sales on the installment plan which are attributable to each taxable year as determined in the sample of accounts described in subparagraph (2) of this paragraph. However, if the taxpayer demonstrates to the satisfaction of the district director that income from sales on the installment plan is clearly reflected, all sales may be considered as being made in the taxable year for purposes of applying the gross profit percentage.

(7) The provisions of this paragraph may be illustrated by the following example:

Example. Corporation X is a dealer in personal property and has elected to report on the installment method those sales under its revolving credit plan which may be treated as sales on the installment plan. Corporation X's taxable year ends on January 31, and the total balance of all its revolving credit accounts as of January 31, 1964, is $2,000,000. The total sales made in the taxable year are $10,000,000 of which $500,000 are nonpersonal property sales. The gross profit percentage realized or to be realized on all sales made in the taxable year is 40 percent. The amount of the gross profit contained in the year-end balance of $2,000,000 which may be deferred to succeeding years is computed as follows:

(i) In order to reduce the charges appearing in the year-end balance of revolving credit accounts receivable by the nonpersonal property sales contained therein, corporation X determines the amount of such nonpersonal property sales under the method permitted in subparagraph (5) of this paragraph. Corporation X first determines the ratio which total nonpersonal property sales made during the year ($500,000) bears to total sales made during the year ($10,000,000), and then applies the percentage (5 percent) thus obtained to the year-end balance of revolving credit accounts receivable ($2,000,000). The nonpersonal property sales thus determined ($100,000) is subtracted from such year-end balance to obtain the charges under the revolving credit plan appearing in the year-end balance ($1,900,000) to which the sample percentage is to be applied.

(ii) In accordance with generally accepted sampling techniques, the taxpayer selects a probability sample of all revolving credit accounts having balances for billing-months ending in January 1964. The technique employed results in a randum selection of accounts with total balances of $100,000.

(iii) Analysis of these sample accounts discloses that of the $100,000 of balances, $10,000 of balances are in accounts on which no payment was credited after a billing-month of sale and on or before the end of the first billing-month ending in the taxable year beginning February 1, 1964. These balances are, therefore, disregarded and not taken into account in the determination of what percentage of sales in the sample is to be treated as sales on the installment plan. Of the remaining $90,000 of balances, the taxpayer determines, by analyzing the ledger cards in the sample, that $63,000 of balances are composed of sales which meet the requirements of subparagraph (3) (i) and (ii) of this paragraph and are thus treated as sales on the installment plan. The remaining $27,000 of balances either did not meet the requirements of subparagraph (3) (i) or (ii) of this paragraph or were not sales (as defined in subparagraph (6) (i) of this paragraph). The percentage of charges in the sample treated as sales on the installment plan is, therefore, 70 percent ($63,000÷$90,000).

(iv) The charges in the year-end balance which are to be treated as sales on the installment plan, $1,330,000, are computed by multiplying the charges determined in subdivision (i) of this subparagraph ($1,900,000) by the percentage obtained in subdivision (iii) of this subparagraph (70 percent).

(v) The deferred gross profit attributable to sales under the revolving credit plan for the taxable year, $532,000, is determined by multiplying the amount determined in subdivision (iv) of this subparagraph, $1,330,000, by the gross profit percentage, 40 percent. (Corporation X will be able to demonstrate to the satisfaction of the district director that (*a*) since the gross profit percentage for all sales does not vary materially from the gross profit percentage for all sales made under the revolving credit plan, (*b*) since only an insubstantial amount of sales included in year-end account balances was made prior to the taxable year, and (*c*) since the prior year's gross profit percentage does not vary materially from the gross profit percentage for the taxable year, income from sales on the installment plan will be clearly reflected by applying the current year's gross profit percentage for all sales under the revolving credit plan created as sales on the installment plan.)

(e) *Treatment of payments on sales made in years prior to change to installment method.* No payments received in the taxable year shall be excluded in computing the amount of income to be returned on the ground that they were received on a sale the total profit from which was returned as income during a taxable year or years prior to the change by the taxpayer to the installment method of returning income. In this regard see section 453(c) and § 1.453–7 for the method of determining the sales on which the payments shall not be excluded and the computation of the adjustments for amounts previously included in income in the case of a change from the accrual method to the installment method. Deductible items are not to be allocated to the years in which the profits from the sales of a particular year are to be returned as income, but must be deducted for the taxable year in which the items are "paid or incurred" or "paid or accrued." See section 461 and the regulations thereunder, and section 7701 (a) (25).

PAR. 3. Section 1.453–7 is amended by revising paragraph (a) and by revising the material preceding the example in paragraph (b) (3). These revised provisions read as follows:

§ 1.453–7 Change from accrual to installment method by dealers.

(a) *In general.* A taxpayer who is a dealer in personal property and who is entitled to the benefits of section 453(a) may elect to report his taxable income on the installment method of accounting without securing consent of the Commissioner. In the event a dealer elects to change from the accrual method of accounting to the installment method for either sales under a revolving credit plan or sales on the traditional installment plan, or both types of sales (see paragraph (a) (1) of § 1.453–1), any installment payments actually received in the year of change or in subsequent taxable years on account of sales (or other dispositions of property) of a type or types for which the installment method is elected and which were made in any taxable year before the year of change shall not be excluded from taxable income. For the purpose of determining which payments on account of sales made under a revolving credit type plan shall not be excluded, the dealer shall make a determination of charges under a revolving credit plan made in any taxable year before the year of the change which under the provisions of paragraph (d) of § 1.453–2 are treated as sales on the installment plan. However, for this purpose, in lieu of the percentage determined under paragraph (d) (2) of § 1.453–2 for any such year, the percentage so determined for the year of change may be used. Profits attributable to sales on the installment plan, even though included in taxable income in their entirety in a year of sale before the year in which the change to the installment method is made, are also includible in taxable income as payments are received in the year of change and in subsequent taxable years. But the tax imposed for the year of change or any subsequent taxable years (such years being referred to as "adjustment years") beginning after December 31, 1953, shall be reduced by an adjustment proportionate to the tax attributable to the gross profit which is, by reason of the change to the installment method, included in gross income a second time, determined by the method of computation described in section 453 (c) and paragraph (b) of this section.

(b) *Adjustments to tax.* * * *

(3) The computation of the adjustment provided in section 453(c) (2) may be illustrated by the following example, the principles of which are equally applicable to sales under a revolving credit plan which are reported on the installment method:

* * * * *

PAR. 4. Paragraph (a) of § 1.453–8 is amended to read as follows:

§ 1.453–8 Requirements for adoption of or change to installment method.

(a) *Dealers in personal property*—(1) *Time for election.* An election to adopt or change to the installment method for a type or types of sales must be made on an income tax return for the taxable year of the election, filed on or before the time specified (including extensions thereof) for filing such return. For a taxable year ending before October 31, 1963, the reporting of sales under a revolving credit plan on the installment method on a return for such year constitutes an election to report that type of sale on the installment method, even though no specification was made of the type or types of sales for which the election was made.

(2) *Adoption of installment method.* A taxpayer who adopts the installment method for the first taxable year in

which he makes sales on the installment plan of any kind must indicate in his income tax return for that taxable year that the installment method of accounting is being adopted and specify the type or types of sales included within such election. If a taxpayer in the year of the initial election made only one type of sale on the installment plan, but during a subsequent taxable year makes another type of sale on the installment plan and adopts the installment method for such other type of sale, he must indicate in his income tax return for such subsequent year that he is electing to adopt the installment method of accounting for that type of sale.

(3) *Change to installment method.* A taxpayer who changes to the installment method for a particular type or types of sales on the installment plan in accordance with § 1.453–7 must, for each type of sale on the installment plan for which the installment method is to be used, attach a separate statement to his income tax return for the taxable year with respect to which such change is made. Each statement must show—

(i) The method of accounting used in computing taxable income before the change;

(ii) The type of sale on the installment plan for which the installment is being elected;

(iii) The span of taxable years over which it will be necessary to compute adjustments; and

(iv) A schedule similar to the schedule shown in the example in paragraph (b) (3) of § 1.453–7, showing the computation of the required adjustments under section 453(c)(2).

Similar statements must be attached to and filed with income tax returns for subsequent taxable years in which adjustments are required because of the inclusion of installment payments in gross income a second time.

PAR. 5. Paragraphs (a) and (b) of § 1.453–10 are amended to read as follows:

§ 1.453–10 Effective date.

(a) Except as provided in this section, the provisions of section 453 and §§ 1.453–1 through 1.453–9 shall apply to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

(b) The provisions of paragraphs (a) (2) and (3), (b), and (c) of § 1.453–8 shall apply to taxable years ending after December 17, 1958.

This Treasury decision is issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] MORTIMER M. CAPLIN,
Commissioner of Internal Revenue.

Approved: October 15, 1963.

STANLEY S. SURREY,
Assistant Secretary of the Treasury.

[F.R. Doc. 63–11029; Filed, Oct. 15, 1963; 1:25 p.m.]

[T.D. 6683]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Controlled Foreign Corporations

On April 11, 1963, notice of proposed rule making was published in the FEDERAL REGISTER (28 F.R. 3541) regarding the amendment of the Income Tax Regulations (26 CFR Part 1) to conform to sections 955, 956, and 957(c) of the Internal Revenue Code of 1954, as added by section 12(a) of the Revenue Act of 1962 (76 Stat. 1006). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendment containing the regulations under sections 955 and 957(c) is hereby adopted, subject to the changes set forth below. The amendment shall apply with respect to taxable years of foreign corporations beginning after December 31, 1962, and to taxable years of United States shareholders within which or with which such taxable years of such corporations end. The regulations under section 956, after consideration of all such relevant matter as was presented by interested parties regarding the rules proposed, will be published at a later date.

PARAGRAPH 1. Section 1.955–1, as set forth in the notice of the proposed rule making, is revised.

PAR. 2. Section 1.955–2, as set forth in the notice of proposed rule making, is changed by revising paragraph (a) (2) and (3), by revising paragraph (b) (1) and (3) and by adding a new paragraph (b)(4), by revising paragraph (c), and by revising paragraph (d)(1).

PAR. 3. Section 1.955–3, as set forth in the notice of proposed rule making, is changed by revising paragraphs (a), (b)(2), (c)(3) and (4), and examples (3) and (4) of paragraph (d).

PAR. 4. Section 1.955–5, as set forth in the notice of proposed rule making, is changed by revising paragraphs (a), (b), and (c) and by adding a new paragraph (d).

PAR. 5. Section 1.955–6, as set forth in the notice of proposed rule making, is changed by revising paragraphs (a), (b), (c), and (d) and by deleting paragraph (e).

PAR. 6. Section 1.957–3, as set forth in the notice of proposed rule making, is changed by revising paragraphs (a) (1) and (2) and (b) (3) and (4).

This Treasury decision is issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] MORTIMER M. CAPLIN,
Commissioner of Internal Revenue.

Approved: October 15, 1963.

STANLEY S. SURREY,
Assistant Secretary of the Treasury.

In order to conform the Income Tax Regulations (26 CFR Part 1) to sections 955 and 957(c) of the Internal Revenue Code of 1954, as added by section 12(a) of the Revenue Act of 1962 (76 Stat. 1006), such regulations are amended to include the following new sections, effective with respect to taxable years of foreign corporations beginning after December 31, 1962, and to taxable years of United States shareholders within which or with which such taxable years of such foreign corporations end:

TAX BASED ON INCOME FROM SOURCES WITHIN OR WITHOUT THE UNITED STATES

INCOME FROM SOURCES WITHOUT THE UNITED STATES

Controlled Foreign Corporations

Sec.

§ 1.955 Statutory provisions; withdrawal of previously excluded subpart F income from qualified investment.

SEC. 955. *Withdrawal of previously excluded subpart F income from qualified investment*—(a) *General rules*—(1) *Amount withdrawn.* For purposes of this subpart, the amount of previously excluded subpart F income of any controlled foreign corporation withdrawn from investment in less developed countries for any taxable year is an amount equal to the decrease in the amount of qualified investments in less developed countries of the controlled foreign corporation for such year, but only to the extent that the amount of such decrease does not exceed an amount equal to—

(A) The sum of the amounts excluded under section 954(b)(1) from the foreign base company income of such corporation for all prior taxable years, reduced by

(B) The sum of the amounts of previously excluded subpart F income withdrawn from investment in less developed countries of such corporation determined under this subsection for all prior taxable years.

(2) *Decrease in qualified investments.* For purposes of paragraph (1), the amount of the decrease in qualified investments in less developed countries of any controlled foreign corporation for any taxable year is the amount by which—

(A) The amount of qualified investments in less developed countries of the controlled foreign corporation at the close of the preceding taxable year, exceeds

(B) The amount of qualified investments in less developed countries of the controlled foreign corporation at the close of the taxable year,

to the extent the amount of such decrease does not exceed the sum of the earnings and

profits for the taxable year and the earnings and profits accumulated for prior taxable years beginning after December 31, 1962. For purposes of this paragraph, if qualified investments in less developed countries are disposed of by the controlled foreign corporation during the taxable year, the amount of the decrease in qualified investments in less developed countries of such controlled foreign corporation for such year shall be reduced by an amount equal to the amount (if any) by which the losses on such dispositions during such year exceed the gains on such dispositions during such year.

(3) *Pro rata share of amount withdrawn.* In the case of any United States shareholder, the pro rata share of the amount of previously excluded subpart F income of any controlled foreign corporation withdrawn from investment in less developed countries for any taxable year is his pro rata share of the amount determined under paragraph (1).

(b) *Qualified investments in less developed countries*—(1) *In general.* For purposes of this subpart, the term "qualified investments in less developed countries" means property which is—

(A) Stock of a less developed country corporation held by the controlled foreign corporation, but only if the controlled foreign corporation owns 10 percent or more of the total combined voting power of all classes of stock of such less developed country corporation;

(B) An obligation of a less developed country corporation held by the controlled foreign corporation, which, at the time of its acquisition by the controlled foreign corporation, has a maturity of one year or more, but only if the controlled foreign corporation owns 10 percent or more of the total combined voting power of all classes of stock of such less developed country corporation; or

(C) An obligation of a less developed country.

(2) *Country ceases to be less developed country.* For purposes of this subpart, property which would be a qualified investment in less developed countries, but for the fact that a foreign country has, after the acquisition of such property by the controlled foreign corporation, ceased to be a less developed country, shall be treated as a qualified investment in less developed countries.

(3) *Special rule.* For purposes of this subpart, a United States shareholder of a controlled foreign corporation may, under regulations prescribed by the Secretary or his delegate, make the determinations under subsection (a)(2) of this section and under subsection (f) of section 954 as of the close of the years following the years referred to in such subsections, or as of the close of such longer period of time as such regulations may permit, in lieu of on the last day of such years. Any election under this paragraph made with respect to any taxable year shall apply to such year and to all succeeding taxable years unless the Secretary or his delegate consents to the revocation of such election.

(4) *Exception.* For purposes of this subpart, property shall not constitute qualified investments in less developed countries if such property is disposed of within 6 months after the date of its acquisition.

(5) *Amount attributable to property.* The amount taken into account under this subpart with respect to any property described in paragraph (1) or (2) shall be its adjusted basis, reduced by any liability to which such property is subject.

(c) *Less developed country corporations*—(1) *In general.* For purposes of this subpart, the term "less developed country corporation" means a foreign corporation which during the taxable year is engaged in the active conduct of one or more trades or businesses and—

(A) 80 percent or more of the gross income of which for the taxable year is derived from sources within less developed countries; and

(B) 80 percent or more in value of the assets of which on each day of the taxable year consists of—

(i) Property used in such trades or businesses and located in less developed countries,

(ii) Money, and deposits with persons carrying on the banking business,

(iii) Stock, and obligations which, at the time of their acquisition, have a maturity of one year or more, of any other less developed country corporation,

(iv) An obligation of a less developed country,

(v) An investment which is required because of restrictions imposed by a less developed country, and

(vi) Property described in section 956(b)(2).

For purposes of subparagraph (A), the determination as to whether income is derived from sources within less developed countries shall be made under regulations prescribed by the Secretary or his delegate.

(2) *Shipping companies.* For purposes of this subpart, the term "less developed country corporation" also means a foreign corporation—

(A) 80 percent or more of the gross income of which for the taxable year consists of—

(i) Gross income derived from, or in connection with, the using (or hiring or leasing for use) in foreign commerce of aircraft or vessels registered under the laws of a less developed country, or from, or in connection with, the performance of services directly related to use of such aircraft or vessels, or from the sale or exchange of such aircraft or vessels, and

(ii) Dividends and interest received from foreign corporations which are less developed country corporations within the meaning of this paragraph and 10 percent or more of the total combined voting power of all classes of stock of which are owned by the foreign corporation, and gain from the sale or exchange of stock or obligations of foreign corporations which are such less developed country corporations, and

(B) 80 percent or more of the assets of which on each day of the taxable year consists of (i) assets used, or held for use, for or in connection with the production of income described in subparagraph (A), and (ii) property described in section 956(b)(2).

(3) *Less developed country defined.* For purposes of this subpart, the term "less developed country" means (in respect of any foreign corporation) any foreign country (other than an area within the Sino-Soviet bloc) or any possession of the United States with respect to which, on the first day of the taxable year, there is in effect an Executive order by the President of the United States designating such country or possession as an economically less developed country for purposes of this subpart. For purposes of the preceding sentence, an overseas territory, department, province, or possession may be treated as a separate country. No designation shall be made under this paragraph with respect to—

Australia.	Luxembourg.
Austria.	Monaco.
Belgium.	Netherlands.
Canada.	New Zealand.
Denmark.	Norway.
France.	Union of South Africa.
Germany (Federal Republic).	San Marino.
Hong Kong.	Sweden.
Italy.	Switzerland.
Japan.	United Kingdom.
Liechtenstein.	

After the President has designated any foreign country or any possession of the United States as an economically less developed country for purposes of this subpart, he shall not terminate such designation (either by issuing an Executive order for that purpose or by issuing an Executive order under the first sentence of this paragraph which has the effect of terminating such designation) unless, at least 30 days prior to such termination, he has notified the Senate and the House of Representatives of his intention to terminate such designation.

[Sec. 955 as added by sec. 12(a), Revenue Act of 1962 (76 Stat. 1006)]

§ 1.955–1 Shareholder's pro rata share of amount of previously excluded Subpart F income withdrawn from investment in less developed countries.

(a) *In general.* Section 955 provides rules for determining the amount of a controlled foreign corporation's previously excluded subpart F income which is withdrawn for any taxable year from investment in less developed countries. Pursuant to section 951(a)(1)(A)(ii) and the regulations thereunder, a United States shareholder of such controlled foreign corporation must include in his gross income his pro rata share of such amount as determined in accordance with paragraph (c) of this section.

(b) *Amount withdrawn by controlled foreign corporation*—(1) *In general.* For purposes of sections 951 through 964, the amount of a controlled foreign corporation's previously excluded subpart F income which is withdrawn for any taxable year from investment in less developed countries is an amount equal to the decrease for such year in such corporation's qualified investments in less developed countries. Such decrease is, except as provided in § 1.955–3—

(i) An amount equal to the excess of the amount of its qualified investments in less developed countries at the close of the preceding taxable year over the amount of its qualified investments in less developed countries at the close of the taxable year, minus

(ii) The amount (if any) by which recognized losses on sales or exchanges by such corporation during the taxable year of qualified investments in less developed countries exceed its recognized gains on sales or exchanges during such year of qualified investments in less developed countries,

but only to the extent that the net amount so determined does not exceed the limitation determined under subparagraph (2) of this paragraph. See § 1.955–2 for determining the amount of qualified investments in less developed countries.

(2) *Limitations applicable in determining decreases*—(i) *General.* The limitation referred to in subparagraph (1) of this paragraph for any taxable year of a controlled foreign corporation shall be the lesser of the following two limitations:

(*a*) The sum of the controlled foreign corporation's earnings and profits (or deficit in earnings and profits) for the taxable year, computed as of the close of the taxable year without diminution by reason of any distributions made during the taxable year, plus the sum of its earnings and profits (or deficits in earnings and profits) accumulated for prior

taxable years beginning after December 31, 1962, or,

(b) The sum of the amounts excluded under section 954(b)(1) and paragraph (b)(1) of § 1.954–1 from the foreign base company income of such corporation for all prior taxable years, minus the sum of the amounts (determined under this paragraph) of its previously excluded subpart F income withdrawn from investment in less developed countries for all prior taxable years.

(ii) *Treatment of earnings and profits.* For purposes of determining earnings and profits of a controlled foreign corporation under subdivision (i)(a) of this subparagraph, such earnings and profits shall be considered not to include any amounts which are attributable to—

(a) Amounts which are, or have been, included in the gross income of a United States shareholder of such controlled foreign corporation under section 951(a) (other than an amount included in the gross income of a United States shareholder under section 951(a)(1)(A)(ii) or section 951(a)(1)(B) for the taxable year) and have not been distributed, or

(b) Amounts described in section 959(b) which are, or have been, included in the gross income of a United States shareholder of another controlled foreign corporation under section 951(a) and which are distributed through a chain of ownership described in section 958(a) to the controlled foreign corporation with respect to which such determination is being made.

The rules of this subdivision apply only in determining the limitation on a controlled foreign corporation's decrease in qualified investments in less developed countries. See section 959 and the regulations thereunder for limitations on the exclusion from gross income of previously taxed earnings and profits.

(c) *Shareholder's pro rata share of amount withdrawn by controlled foreign corporation*—(1) *In general.* A United States shareholder's pro rata share of a controlled foreign corporation's previously excluded subpart F income withdrawn for any taxable year from investment in less developed countries is his pro rata share of the amount withdrawn for such year by such corporation, as determined under paragraph (b) of this section. See section 955(a)(3).

(2) *Special rule.* A United States shareholder's pro rata share of the net amount determined under paragraph (b)(2)(i)(b) of this section with respect to any stock of the controlled foreign corporation owned by such shareholder shall be determined without taking into account any amount attributable to a period prior to the date on which such shareholder acquired such stock. See section 1248 and the regulations thereunder for rules governing treatment of gain from sales or exchanges of stock in certain foreign corporations.

(d) *Illustrations.* The application of this section may be illustrated by the following examples:

Example (1). A, a United States shareholder, owns 60 percent of the only class of stock of M Corporation, a controlled foreign corporation throughout the entire period here involved. Both A and M Corporation use the calendar year as a taxable year. Corporation M's qualified investments in less developed countries at the close of 1964 amount to $125,000; and, at the close of 1965, to $75,000. During 1965, M Corporation realizes recognized gains of $5,000 and recognized losses of $15,000 on sales of qualified investments in less developed countries. Corporation M's earnings and profits for 1965 and its accumulated earnings and profits for 1963 and 1964 amount to $45,000, as determined under paragraph (b)(2) of this section. The amount excluded under section 954(b)(1) for 1963 from its foreign base company income is $75,000, and the amount of its previously excluded subpart F income withdrawn for 1964 from investment in less developed countries is $25,000. The amount of M Corporation's previously excluded subpart F income withdrawn for 1965 from investment in less developed countries is $40,000, and A's pro rata share of such amount is $24,000, determined as follows:

(i) Qualified investments in less developed countries at the close of 1964	$125,000
(ii) Less: Qualified investments in less developed countries at the close of 1965	75,000
(iii) Balance	50,000
(iv) Less: Excess of recognized losses over recognized gains on sales during 1965 of qualified investments in less developed countries ($15,000 less $5,000)	10,000
(v) Tentative decrease in qualified investments in less developed countries for 1965	40,000
(vi) Earnings and profits for 1963, 1964, and 1965	45,000
(vii) Excess of amount excluded under sec. 954(b)(1) from foreign base company income for 1963 ($75,000) over amount of previously excluded subpart F income withdrawn for 1964 from investment in less developed countries ($25,000)	50,000
(viii) M Corporation's amount of previously excluded subpart F income withdrawn for 1965 from investment in less developed countries (item (v), but not to exceed the lesser of item (vi) or item (vii))	40,000
(ix) A's pro rata share of M Corporation's amount of previously excluded subpart F income withdrawn for 1965 from investment in less developed countries (60 percent of $40,000)	24,000

Example (2). The facts are the same as in example (1), except that M Corporation's earnings and profits (determined under paragraph (b)(2) of this section) for 1963, 1964, and 1965 (item (vi)) are $30,000 instead of $45,000. Corporation M's amount of previously excluded subpart F income withdrawn for 1965 from investment in less developed countries is $30,000. A's pro rata share of such amount is $18,000 (60 percent of $30,000).

Example (3). The facts are the same as in example (1), except that the excess of the amount excluded under section 954(b)(1) for 1963 from M Corporation's foreign base company income over the amount of its previously excluded subpart F income withdrawn for 1964 from investment in less developed countries (item (vii)) is $20,000 instead of $50,000. Corporation M's amount of previously excluded subpart F income withdrawn for 1965 from investment in less developed countries is $20,000. A's pro rata share of such amount is $12,000 (60 percent of $20,000).

§ 1.955–2 Amount of a controlled foreign corporation's qualified investments in less developed countries.

(a) *Included property.* For purposes of sections 951 through 964, a controlled foreign corporation's "qualified investments in less developed countries" are items of property (other than property excluded under paragraph (b)(1) of this section) owned directly by such corporation on the applicable determination date for purposes of section 954(f) or section 955(a)(2) and consisting of one or more of the following:

(1) Stock of a less developed country corporation if the controlled foreign corporation owns (within the meaning of paragraph (b)(2) of this section) on the applicable determination date 10 percent or more of the total combined voting power of all classes of stock of such less developed country corporation;

(2) An obligation (as defined in paragraph (b)(3) of this section) of a less developed country corporation which, at the time of acquisition (as defined in paragraph (b)(4) of this section) of such obligation by the controlled foreign corporation, has a maturity of one year or more, but only if the controlled foreign corporation owns (within the meaning of paragraph (b)(2) of this section) on the applicable determination date 10 percent or more of the total combined voting power of all classes of stock of such less developed country corporation; and

(3) An obligation (as defined in paragraph (b)(3) of this section) of a less developed country, including obligations issued or guaranteed by the government of such country or of a political subdivision thereof and obligations of any agency or instrumentality of such country, in which such country is financially committed. The application of this subparagraph may be illustrated by the following example:

Example. A, a political subdivision of foreign country X, constructs and operates a toll bridge. Country X is a less developed country throughout the period here involved. A issues bonds under an indenture which provides for amortization of the principal and interest of such bonds only out of the net revenues derived from operation of the bridge. The bonds of A are obligations in which X country is financially committed and, in the hands of a controlled foreign corporation, are qualified investments in less developed countries.

(b) *Special rules*—(1) *Excluded property.* For purposes of paragraph (a) of this section, property which is disposed of within 6 months after the date of its acquisition shall be excluded from a controlled foreign corporation's qualified investments in less developed countries. However, the fact that property acquired by a controlled foreign corporation has not been held on an applicable determination date for more than 6 months after the date of its acquisition shall not prevent such property from being included in the controlled foreign

corporation's qualified investments in less developed countries on such date. Proper adjustments shall be made subsequently, however, to exclude any item of property so included, if the property is in fact disposed of within 6 months after the date of its acquisition. See section 955(b)(4).

(2) *Determination of stock ownership.* In determining for purposes of paragraph (a)(1) and (2) of this section whether a controlled foreign corporation owns 10 percent or more of the total combined voting power of all classes of stock of a less developed country corporation, only stock owned directly by such controlled foreign corporation shall be taken into account and the provisions of section 958 and the regulations thereunder shall not apply. See section 958(a)(1).

(3) *Obligation defined.* For purposes of paragraph (a)(2) and (3) of this section, the term "obligation" means any bond, note, debenture, certificate, or other evidence of indebtedness. In the absence of legal, governmental, or business reasons to the contrary, the indebtedness must bear interest or be issued at a discount.

(4) *Date of acquisition.* For purposes of paragraph (a)(2) of this section, an obligation shall be considered acquired by a foreign corporation as of the date such corporation acquires an adjusted basis in the obligation. For this purpose, in a case in which a foreign corporation acquires an obligation in a transaction (other than a reorganization of the type described in section 368(a)(1)(E) or (F)) in which no gain or loss would be recognized had the transaction been between two domestic corporations, such corporation will be considered to have acquired an adjusted basis in such obligation as of the date such transaction occurs.

(c) *Termination of designation as a less developed country.* For purposes of sections 951 through 964, property which would constitute a qualified investment in a less developed country but for the fact that a foreign country or United States possession has, after the acquisition of such property by the controlled foreign corporation, ceased to be a less developed country shall be treated as a qualified investment in a less developed country. The application of this paragraph may be illustrated by the following example:

Example. On December 31, 1969, in accordance with the provisions of § 1.955–4, the designation of foreign country X as an economically less developed country is terminated. Corporation M, a controlled foreign corporation, has $50,000 of qualified investments in country X acquired before December 31, 1969. After 1969 such investments are treated as qualified investments in a less developed country notwithstanding the termination of the status of X country as an economically less developed country. However, if such qualified investments of M Corporation are reduced to $40,000, each United States shareholder of M Corporation is required, subject to the provisions of § 1.955–1, to include his pro rata share of the $10,000 decrease in his gross income under section 951(a)(1)(A)(ii) and the regulations thereunder.

(d) *Amount attributable to property—*(1) *General rule.* For purposes of this section, the amount taken into account with respect to any property which constitutes a qualified investment in a less developed country shall be its adjusted basis as of the applicable determination date, reduced by any liability (other than a liability described in subparagraph (2) of this paragraph) to which such property is subject on such date. To be taken into account under this subparagraph, a liability must constitute a specific charge against the property involved. Thus, a liability evidenced by an open account or a liability secured only by the general credit of the controlled foreign corporation will not be taken into account. On the other hand, if a liability constitutes a specific charge against several items of property and cannot definitely be allocated to any single item of property, the liability shall be apportioned against each of such items of property in that ratio which the adjusted basis of such item on the applicable determination date bears to the adjusted basis of all such items at such time. A liability in excess of the adjusted basis of the property which is subject to such liability shall not be taken into account for the purpose of reducing the adjusted basis of other property which is not subject to such liability.

(2) *Excluded charges.* For purposes of subparagraph (1) of this paragraph, a specific charge created with respect to any item of property principally for the purpose of artificially increasing or decreasing the amount of a controlled foreign corporation's qualified investments in less developed countries will not be recognized; whether a specific charge is created principally for such purpose will depend upon all the facts and circumstances of each case. One of the factors that will be considered in making such a determination with respect to a loan is whether the loan is from a related person, as defined in section 954(d)(3) and paragraph (e) of § 1.954–1.

(3) *Statement required.* If for purposes of this section a United States shareholder of a controlled foreign corporation reduces the adjusted basis of property which constitutes a qualified investment in a less developed country on the ground that such property is subject to a liability, he shall attach to his return a statement setting forth the adjusted basis of the property before the reduction and the amount and nature of the reduction.

§ 1.955–3 Election as to date of determining qualified investments in less developed countries.

(a) *Nature of election.* In lieu of determining the increase under the provisions of section 954(f) and paragraph (a) of § 1.954–5, or the decrease under the provisions of section 955(a)(2) and paragraph (b) of § 1.955–1, in a controlled foreign corporation's qualified investments in less developed countries for a taxable year in the manner provided in such provisions, a United States shareholder of such controlled foreign corporation may elect, under the provisions of section 955(b)(3) and this section, to determine such increase in accordance with the provisions of paragraph (b) of § 1.954–5 and to determine such decrease by ascertaining the amount by which—

(1) Such controlled foreign corporation's qualified investments in less developed countries at the close of such taxable year exceed its qualified investments in less developed countries at the close of the taxable year immediately following such taxable year, and reducing such excess by

(2) The amount determined under paragraph (b)(1)(ii) of § 1.955–1 for such taxable year,

subject to the limitation provided in paragraph (b)(2) of § 1.955–1 for such taxable year. An election under this section may be made with respect to each controlled foreign corporation with respect to which a person is a United States shareholder within the meaning of section 951(b), but the election may not be exercised separately with respect to the increases and the decreases of such controlled foreign corporation. If an election is made under this section to determine the increase of a controlled foreign corporation in accordance with the provisions of paragraph (b) of § 1.954–5, subsequent decreases of such controlled foreign corporation shall be determined in accordance with this paragraph and not in accordance with paragraph (b) of § 1.955–1.

(b) *Time and manner of making election—*(1) *Without consent.* An election under this section with respect to a controlled foreign corporation shall be made without the consent of the Commissioner by a United States shareholder's filing a statement to such effect with his return for his taxable year in which or with which ends the first taxable year of such controlled foreign corporation in which—

(i) Such shareholder owns, within the meaning of section 958(a), or is considered as owning by applying the rules of ownership of section 958(b), 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such controlled foreign corporation, and

(ii) Such controlled foreign corporation realizes foreign base company income from which amounts are excluded under section 954(b)(1) and paragraph (b)(1) of § 1.954–1.

The statement shall contain the name and address of the controlled foreign corporation and identification of such first taxable year of such corporation.

(2) *With consent.* An election under this section with respect to a controlled foreign corporation may be made by a United States shareholder at any time with the consent of the Commissioner. Consent will not be granted unless the United States shareholder and the Commissioner agree to the terms, conditions, and adjustments under which the election will be effected. The application for consent to elect shall be made by the United States shareholder's mailing a

letter for such purpose to the Commissioner of Internal Revenue, Washington, D.C., 20224. The application shall be mailed before the close of the first taxable year of the controlled foreign corporation with respect to which the shareholder desires to compute an amount described in section 954(b)(1) in accordance with the election provided in this section. The application shall include the following information:

(i) The name, address, and taxable year of the United States shareholder;

(ii) The name and address of the controlled foreign corporation;

(iii) The first taxable year of the controlled foreign corporation for which income is to be computed under the election;

(iv) The amount of the controlled foreign corporation's qualified investments in less developed countries at the close of its preceding taxable year; and

(v) The sum of the amounts excluded under section 954(b)(1) and paragraph (b)(1) of § 1.954–1 from the foreign base company income of the controlled foreign corporation for all prior taxable years during which such shareholder was a United States shareholder of such corporation and the sum of the amounts of its previously excluded subpart F income withdrawn from investment in less developed countries for all prior taxable years during which such shareholder was a United States shareholder of such corporation.

(c) *Effect of election*—(1) *General.* Except as provided in subparagraphs (3) and (4) of this paragraph, an election under this section with respect to a controlled foreign corporation shall be binding on the United States shareholder and shall apply to all qualified investments in less developed countries acquired, or disposed of, by such controlled foreign corporation during the taxable year following its taxable year for which income is first computed under the election and during all succeeding taxable years of such corporation.

(2) *Returns.* Any return of a United States shareholder required to be filed before the completion of a period with respect to which determinations are to be made as to a controlled foreign corporation's qualified investments in less developed countries for purposes of computing such shareholder's taxable income shall be filed on the basis of an estimate of the amount of the controlled foreign corporation's qualified investments in less developed countries at the close of the period. If the actual amount of such investments is not the same as the amount of the estimate, the United States shareholder shall immediately notify the Commissioner. The Commissioner will thereupon redetermine the amount of tax of such United States shareholder for the year or years with respect to which the incorrect amount was taken into account. The amount of tax, if any, due upon such redetermination shall be paid by the United States shareholder upon notice and demand by the district director. The amount of tax, if any, shown by such redetermination to have been overpaid shall be credited or refunded to the United States shareholder in accordance with the provisions of sections 6402 and 6511 and the regulations thereunder.

(3) *Revocation.* Upon application by the United States shareholder, the election made under this section may, subject to the approval of the Commissioner, be revoked. Approval will not be granted unless the United States shareholder and the Commissioner agree to the terms, conditions, and adjustments under which the revocation will be effected. Unless such agreement provides otherwise, the change in the controlled foreign corporation's qualified investments in less developed countries for its first taxable year for which income is computed without regard to the election previously made will be considered to be zero for purposes of effectuating the revocation. The application for consent to revocation shall be made by the United States shareholder's mailing a letter for such purpose to the Commissioner of Internal Revenue, Washington, D.C., 20224. The application shall be mailed before the close of the first taxable year of the controlled foreign corporation with respect to which the shareholder desires to compute the amounts described in section 954(b)(1) or 955(a) without regard to the election provided in this section. The application shall include the following information:

(i) The name and address of the United States shareholder;

(ii) The name and address of the controlled foreign corporation;

(iii) The taxable year of the controlled foreign corporation for which such amounts are to be so computed;

(iv) The amount of the controlled foreign corporation's qualified investments in less developed countries at the close of its preceding taxable year;

(v) The sum of the amounts excluded under section 954(b)(1) and paragraph (b)(1) of §1.954–1 from the foreign base company income of the controlled foreign corporation for all prior taxable years during which such shareholder was a United States shareholder of such corporation and the sum of the amounts of its previously excluded subpart F income withdrawn from investment in less developed countries for all prior taxable years during which such shareholder was a United States shareholder of such corporation; and

(vi) The reasons for the request for consent to revocation.

(4) *Transfer of stock.* If during any taxable year of a controlled foreign corporation—

(i) A United States shareholder who has made an election under this section with respect to such controlled foreign corporation sells, exchanges, or otherwise disposes of all or part of his stock in such controlled foreign corporation, and

(ii) The foreign corporation is a controlled foreign corporation immediately after the sale, exchange, or other disposition,

then, with respect to the stock so sold, exchanged, or disposed of, the controlled foreign corporation's acquisitions and dispositions of qualified investments in less developed countries for such taxable year shall be considered to be zero. If the United States shareholder's successor in interest is entitled to and does make an election under paragraph (b)(1) of this section to determine the controlled foreign corporation's increase in qualified investments in less developed countries for the taxable year in which he acquires such stock, such increase with respect to the stock so acquired shall be determined in accordance with the provisions of paragraph (b)(1) of § 1.954–5. If the controlled foreign corporation realizes no foreign base company income from which amounts are excluded under section 954(b)(1) and paragraph (b)(1) of § 1.954–1 for the taxable year in which the United States shareholder's successor in interest acquires such stock and such successor in interest makes an election under paragraph (b)(1) of this section with respect to a subsequent taxable year of such controlled foreign corporation, the increase in the controlled foreign corporation's qualified investments in less developed countries for such subsequent taxable year shall be determined in accordance with the provisions of paragraph (b)(2) of § 1.954–5.

(d) *Illustrations.* The application of this section may be illustrated by the following examples:

Example (1). Foreign corporation A is a wholly owned subsidiary of domestic corporation M. Both corporations use the calendar year as a taxable year. In a statement filed with its return for 1963, M Corporation makes an election under section 955(b)(3) and the election remains in force for the taxable year 1964. At December 31, 1964, A Corporation's qualified investments in less developed countries amount to $100,000; and, at December 31, 1965, to $80,000. For purposes of paragraph (a)(1) of this section, A Corporation's decrease in qualified investments in less developed countries for the taxable year 1964 is $20,000 and is determined by ascertaining the amount by which A Corporation's qualified investments in less developed countries at December 31, 1964 ($100,000) exceed its qualified investments in less developed countries at December 31, 1965 ($80,000).

Example (2). The facts are the same as in example (1) except that A Corporation experiences no changes in qualified investments in less developed countries during its taxable years 1966 and 1967. If M Corporation's election were to remain in force, A Corporation's acquisitions and dispositions of qualified investments in less developed countries during A Corporation's taxable year 1968 would be taken into account in determining whether A Corporation has experienced an increase or a decrease in qualified investments in less developed countries for its taxable year 1967. However, M Corporation duly files before the close of A Corporation's taxable year 1967 an application for consent to revocation of M Corporation's election under section 955(b)(3), and, pursuant to an agreement between the Commissioner and M Corporation, consent is granted by the Commissioner. Assuming such agreement does not provide otherwise, A Corporation's change in qualified investments in less developed countries for its taxable year 1967 is zero because the effect of the revocation of the election is to treat acquisitions and dispositions of qualified investments in less developed countries actually occurring in 1968 as having occurred in such year rather than in 1967.

Example (3). The facts are the same as in example (2) except that A Corporation's qualified investments in less developed countries at December 31, 1968, amount to $70,000.

For purposes of paragraph (b)(1)(i) of § 1.955–1, the decrease in A Corporation's qualified investments in less developed countries for the taxable year 1968 is $10,000 and is determined by ascertaining the amount by which A Corporation's qualified investments in less developed countries at December 31, 1967 ($80,000) exceed its qualified investments in less developed countries at December 31, 1968 ($70,000).

Example (4). The facts are the same as in example (1) except that on September 30, 1965, M Corporation sells 40 percent of the only class of stock of A Corporation to N Corporation, a domestic corporation. Corporation N uses the calendar year as a taxable year. Corporation A remains a controlled foreign corporation immediately after such sale of its stock. Corporation A's qualified investments in less developed countries at December 31, 1966, amount to $90,000. The changes in A Corporation's qualified investments in less developed countries occurring in its taxable year 1965 are considered to be zero with respect to the 40-percent stock interest acquired by N Corporation. The entire $20,000 reduction in A Corporation's qualified investments in less developed countries which occurs during the taxable year 1965 is taken into account by M Corporation for purposes of paragraph (a)(1) of this section in determining its tax liability for the taxable year 1964. Corporation A's increase in qualified investments in less developed countries for the taxable year 1965 with respect to the 60-percent stock interest retained by M Corporation is $6,000 and is determined by ascertaining M Corporation's pro rata share (60 percent) of the amount by which A Corporation's qualified investments in less developed countries at December 31, 1966 ($90,000) exceed its qualified investments in less developed countries at December 31, 1965 ($80,000). Corporation N does not make an election under section 955(b)(3) in its return for its taxable year 1966. Corporation A's increase in qualified investments in less developed countries for the taxable year 1966 with respect to the 40-percent stock interest acquired by N Corporation is $4,000.

§ 1.955–4 Definition of less developed country.

(a) *Designation by Executive order.* For purposes of sections 951 through 964, the term "less developed country" means any foreign country (other than an area within the Sino-Soviet bloc) or any possession of the United States with respect to which, on the first day of the foreign corporation's taxable year, there is in effect an Executive order by the President of the United States designating such country or possession as an economically less developed country for purposes of such sections. Each territory, department, province, or possession of any foreign country other than a country within the Sino-Soviet bloc may be treated as a separate foreign country for purposes of such designation if the territory, department, province, or possession is overseas from the country of which it is a territory, department, province, or possession. Thus, for example, an overseas possession of a foreign country may be designated by Executive order as an economically less developed country even though the foreign country itself has not been designated as an economically less developed country; or the foreign country may be so designated even though the overseas possessions of such country have not been designated as economically less developed countries. The term "possession of the United States", for purposes of section 955(c)(3) and this section, shall be construed to have the same meaning as that contained in paragraph (b)(2) of § 1.957–3.

(b) *Countries not eligible for designation.* Section 955(c)(3) provides that no designation by Executive order may be made under section 955(c)(3) and paragraph (a) of this section with respect to—

Australia.	Luxembourg.
Austria.	Monaco.
Belgium.	Netherlands.
Canada.	New Zealand.
Denmark.	Norway.
France.	Union of South Africa.
Germany (Federal Republic).	San Marino.
Hong Kong.	Sweden.
Italy.	Switzerland.
Japan.	United Kingdom.
Liechtenstein.	

(c) *Termination of designation.* Section 955(c)(3) provides that, after the President has designated any foreign country or possession of the United States as an economically less developed country for purposes of sections 951 through 964, he may not terminate such designation (either by issuing an Executive order for the purpose of terminating such designation or by issuing an Executive order which has the effect of terminating such designation) unless, at least 30 days prior to such termination, he has notified the Senate and the House of Representatives of his intention to terminate such designation. If such 30-day notice is given, no action by the Congress of the United States is necessary to effectuate the termination. The requirement for giving 30-day notice to the Senate and House of Representatives applies also to the termination of a designation with respect to an overseas territory, department, province, or possession of a foreign country. See paragraph (c) of § 1.955–2 for the effect of a termination of a Presidential designation upon property which would be a qualified investment in a less developed country but for the fact of such termination.

§ 1.955–5 Definition of less developed country corporation.

(a) *Less developed country corporation—(1) In general.* For purposes of sections 951 through 964, the term "less developed country corporation" means a foreign corporation described in paragraph (b) of this section and also any foreign corporation—

(i) Which is engaged in the active conduct of one or more trades or businesses during the entire taxable year;

(ii) Which derives 80 percent or more of its gross income, if any, for such taxable year from sources within less developed countries, as determined under the provisions of § 1.955–6; and

(iii) Which has 80 percent or more in value (within the meaning of paragraph (d) of this section) of its assets on each day of such taxable year consisting of one or more of the following items of property:

(*a*) Property (other than property described in (*b*) through (*h*) of this subdivision) which is used, or held for use, in such trades or businesses and is located in one or more less developed countries;

(*b*) Money;

(*c*) Deposits with persons carrying on the banking business;

(*d*) Stock of any other less developed country corporation;

(*e*) Obligations (within the meaning of paragraph (b)(3) of § 1.955–2) of another less developed country corporation which at the time of their acquisition (within the meaning of paragraph (b)(4) of § 1.955–2) by the foreign corporation have a maturity of one year or more;

(*f*) Obligations (within the meaning of paragraph (b)(3) of § 1.955–2) of any less developed country;

(*g*) Investments which are required to be made or held because of restrictions imposed by the government of any less developed country; and

(*h*) Property described in section 956(b)(2).

For purposes of this subparagraph, if a foreign corporation is a partner in a foreign partnership, as defined in section 7701(a)(2) and (5) and the regulations thereunder, such corporation will be considered to be engaged in the active conduct of a trade or business to the extent and in the manner in which the partnership is so engaged and to own directly its proportionate share of each of the assets of the partnership. For purposes of subdivision (i) of this subparagraph, a newly-organized foreign corporation will be considered engaged in the active conduct of a trade or business from the date of its organization if such corporation commences business operations as soon as practicable after such organization. In the absence of affirmative evidence showing that the 80-percent requirement of subdivision (iii) of this subparagraph has not been satisfied on each day of the taxable year, such requirement will be considered satisfied if it is established to the satisfaction of the district director that such requirement has been satisfied on the last day of each quarter of the taxable year of the foreign corporation. For purposes of subdivision (iii) of this subparagraph, property (other than stock in trade or other property of a kind which would properly be included in inventory of the foreign corporation if on hand at the close of the taxable year, or property held primarily for sale to customers in the ordinary course of the trade or business of the foreign corporation) purchased for use in a trade or business and temporarily located outside less developed countries will be considered located in less developed countries if, but only if, such property is shipped to and received in less developed countries promptly after such purchase.

(2) *Special rules.* For purposes of subparagraph (1)(iii)(*a*) of this paragraph—

(i) *Treatment of receivables.* Bills receivable, accounts receivable, notes receivable and open accounts shall be considered to be used in the trade or business and located in less developed countries if, but only if—

(*a*) Such obligations arise out of the rental of property located in less de-

veloped countries, the performance of services within less developed countries, or the sale of property manufactured, produced, grown, or extracted in less developed countries, but only to the extent that the aggregate amount of such obligations at any time during the taxable year does not exceed an amount which is ordinary and necessary to carry on the business of both parties to the transactions if such transactions are between unrelated persons or, if such transactions are between related persons, an amount which would be ordinary and necessary to carry on the business of both parties to the transactions if such transactions were between unrelated persons;

(b) In the case of bills receivable, accounts receivable, notes receivable, and open accounts arising out of transactions other than those referred to in (a) of this subdivision—

(1) If the obligor is an individual, such individual is a resident of one or more less developed countries and of no other country which is not a less developed country;

(2) If the obligor is a corporation which as to the foreign corporation is a related person as defined in section 954(d)(3) and paragraph (e) of § 1.954–1, such obligor meets, with respect to the period ending with the close of its annual accounting period in which occurs the date on which the obligation is incurred, the 80-percent gross income requirement of paragraph (b)(1)(ii) of § 1.955–6; or

(3) If the obligor is a corporation which as to the foreign corporation is not a related person as defined in section 954(d)(3) and paragraph (e) of § 1.954–1, it is reasonable, on the basis of ascertainable facts, for the obligee to believe that the obligor meets, with respect to such period, the 80-percent gross income requirement of paragraph (b)(1)(ii) of § 1.955–6.

(ii) *Location of interests in real estate.* Interests in real estate such as leaseholds of land or improvements thereon, mortgages on real property (including interests in mortgages on leaseholds of land or improvements thereon), and mineral, oil, or gas interests shall be considered located in less developed countries if, but only if, the underlying real estate is located in less developed countries.

(iii) *Location of certain other intangibles.* Intangible property (other than any such property described in subdivision (i) or (ii) of this subparagraph) used in the trade or business of the foreign corporation shall be considered to be located in less developed countries in the same ratio that the amount of the foreign corporation's tangible property and property described in subdivision (i) or (ii) of this subparagraph used in its trades or businesses and located or deemed located in less developed countries bears to the total amount of its tangible property and property described in subdivision (i) or (ii) of this subparagraph used in its trades or businesses.

(3) *Illustration.* The provisions of subparagraph (1) of this paragraph may be illustrated by the following example:

Example. Foreign corporation A is formed on November 1, 1963, to engage in the business of manufacturing and selling radios in Brazil, a less developed country as of November 1, 1963. Corporation A uses the calendar year as a taxable year. Shortly after it is formed, A Corporation acquires a plant site and begins construction of a plant which is completed on August 1, 1964. Corporation A commences business operations as soon as practicable after completion of the plant and continues such operations through December 31, 1964, and thereafter. Corporation A will be considered for purposes of subparagraph (1)(i) of this paragraph to be engaged in the active conduct of a trade or business for its entire taxable years ending on December 31, 1963, and 1964. The plant site and the plant (while under construction and after completion) will be considered to be property held during such taxable years for use in A Corporation's trade or business.

(b) *Shipping companies.* For purposes of sections 951 through 964, the term "less developed country corporation" also means any foreign corporation—

(1) Which has 80 percent or more of its gross income, if any, for the taxable year consisting of one or more of—

(i) Gross income derived—

(a) From, or in connection with, the using (or hiring or leasing for use) in foreign commerce of aircraft or vessels registered under the laws of a less developed country,

(b) From, or in connection with, the performance of services directly related to the use in foreign commerce of aircraft or vessels registered under the laws of a less developed country, or

(c) From the sale or exchange of aircraft or vessels registered under the laws of a less developed country and used in foreign commerce by such foreign corporation;

(ii) Dividends and interest received from other foreign corporations which are less developed country corporations within the meaning of this paragraph and 10 percent or more of the total combined voting power of all classes of stock of which is owned at the time such dividends and interest are received or accrued by such foreign corporation; and

(iii) Gain from the sale or exchange of stock or obligations of other foreign corporations which are less developed country corporations within the meaning of this paragraph and 10 percent or more of the total combined voting power of all classes of stock of which is owned by such foreign corporation immediately before such sale or exchange; and

(2) Which has 80 percent or more in value (within the meaning of paragraph (d) of this section) of its assets on each day of the taxable year consisting of—

(i) Assets used, or held for use, for the production of income described in subparagraph (1) of this paragraph, or in connection with the production of such income, whether or not such income is received during the taxable year, and

(ii) Property described in section 956(b)(2).

In the absence of affirmative evidence showing that the 80-percent requirement of this subparagraph has not been satisfied on each day of the taxable year, such requirement will be considered satisfied if it is established to the satisfaction of the district director that such requirement has been satisfied on the last day of each quarter of the taxable year of the foreign corporation. The provisions of this subparagraph may be illustrated by the following example:

Example. Foreign corporation A is formed on November 1, 1963, for the purpose of constructing and operating a vessel and, on that date, enters a charter agreement which provides that such vessel will be registered under the laws of Liberia, a less developed country as of November 1, 1963, and operated between South American and European ports. Corporation A uses the calendar year as a taxable year. Construction of the vessel is completed on September 1, 1965, and the vessel is registered under the laws of Liberia and operated between South American and European ports through December 31, 1965, and thereafter. The charter and the vessel (while under construction and after completion), or any interest of A Corporation in such assets, will be considered assets which are held by A Corporation during its taxable years ending on December 31, 1963, 1964, and 1965, for use in the production of income described in subparagraph (1) of this paragraph.

(c) *Determination of stock ownership.* In determining for purposes of paragraph (b)(1)(ii) and (iii) of this section whether a foreign corporation owns 10 percent or more of the total combined voting power of all classes of stock of a less developed country corporation, only stock owned directly by such foreign corporation shall be taken into account and the provisions of section 958 and the regulations thereunder shall not apply. See section 958(a)(1).

(d) *Determination of value.* For purposes of paragraphs (a)(1)(iii) and (b)(2) of this section—

(1) *General.* Except as provided in subparagraph (2) of this paragraph, the value at which property shall be taken into account is its actual value (not reduced by liabilities) which, in the absence of affirmative evidence to the contrary, shall be deemed to be its adjusted basis.

(2) *Treatment of certain receivables.* The value at which receivables described in paragraph (a)(2)(i) of this section and held by a foreign corporation using the cash receipts and disbursements method of accounting shall be taken into account is their actual value (not reduced by liabilities) which, in the absence of affirmative evidence to the contrary, shall be deemed to be their face value.

§ 1.955–6 Gross income from sources within less developed countries.

(a) *General.* For purposes of paragraph (a)(1)(ii) of § 1.955.5, the determination whether a foreign corporation has derived 80 percent or more of its gross income from sources within less developed countries for any taxable year shall be made by the application of the provisions of sections 861 through 864, and §§ 1.861–1 through 1.863–5, in application of which the name of a less developed country shall be substituted for "the United States", except that if income is derived by the foreign corporation from—

(1) Interest (other than interest to which subparagraph (3) of this paragraph applies), the rules set forth in paragraph (b) of this section shall apply:

(2) Dividends, the rules set forth in paragraph (c) of this section shall apply; or

(3) Income (including interest) derived in connection with the sale of tangible personal property, the rules set forth in paragraph (d) of this section shall apply.

The source of income described in subparagraphs (1), (2), or (3) of this paragraph shall be determined solely under the rules of this section and without regard to the rules of sections 861 through 864, and the regulations thereunder.

(b) *Interest*—(1) *In general.* Except as provided in subparagraph (2) of this paragraph and paragraph (d) of this section, gross income derived by the foreign corporation from interest on any indebtedness—

(i) Of an individual shall be treated as income from sources within a less developed country if, but only if, such individual is a resident of one or more less developed countries and of no other country which is not a less developed country.

(ii) Of a corporation shall be treated as income from sources within less developed countries if, but ony if, 80 percent or more of the gross income of the payer corporation for the 3-year period ending with the close of its annual accounting period in which such interest is paid, or for such part of such 3-year period as such corporation has been in existence, or for such part of such 3-year period as occurs on and after the beginning of such corporation's first annual accounting period beginning after December 31, 1962, whichever period is shortest, was derived from sources within less developed countries as determined in accordance with the principles of this section; or

(iii) Of a less developed country, including obligations issued or guaranteed by the government of such country or of a political subdivision thereof and obligations of any agency or instrumentality of such country, in which such country is financially committed shall be treated as income from sources within such country.

(2) *Special rule.* Gross income derived by the foreign corporation from interest on obligations of the United States shall be treated as income from sources within less developed countries without regard to the provisions of subparagraph (1) of this paragraph.

(3) *Payers other than related persons.* For purposes of subparagraph (1)(ii) of this paragraph, a payer corporation which as to the recipient corporation is not a related person as defined in section 954 (d)(3) and paragraph (e) of § 1.954–1 shall be deemed to have satisfied the 80-percent gross income requirement if, on the basis of ascertainable facts, it is reasonable for the recipient corporation to believe that such requirement is satisfied.

(c) *Dividends*—(1) *In general.* Gross income derived by the foreign corporation from dividends, as defined in section 316 and the regulations thereunder, shall be treated as income from sources within less developed countries if, but only if, 80 percent or more of the gross income of the payer corporation for the 3-year period ending with the close of its annual accounting period in which such dividends are distributed, or for such part of such 3-year period as such corporation has been in existence, or for such part of such 3-year period as occurs on and after the beginning of such corporation's first annual accounting period beginning after December 31, 1962, whichever period is shortest, was derived from sources within less developed countries as determined in accordance with the principles of this section.

(2) *Payers other than related persons.* See paragraph (b)(3) of this section for rule governing satisfaction of the 80-percent gross income requirement by payers other than related persons.

(d) *Sale of tangible personal property*—(1) *In general.* Income (whether in the form of profits, commissions, fees, interest, or otherwise) derived by the foreign corporation in connection with the sale of tangible personal property shall be treated as income from sources within less developed countries if, but only if—

(i) Such property is produced (within the meaning of subparagraph (2) of this paragraph) within less developed countries; or

(ii) Such property is sold for use, consumption, or disposition within less developed countries even though produced outside less developed countries and the selling corporation is engaged within less developed countries, in connection with sales of such property, in continuous operational activities which are substantial in relation to such sales, as evidenced, for example, by the maintenance within less developed countries of a substantial sales or service organization or substantial facilities for the storage, handling, transportation, assembly, packaging, or servicing of such property.

§ 1.957 Statutory provisions; controlled foreign corporations; United States persons.

SEC. 957. *Controlled foreign corporations; United States persons.* * * *

(c) *Corporations organized in United States possessions.* For purposes of this subpart, the term "controlled foreign corporation" does not include any corporation created or organized in the Commonwealth of Puerto Rico or a possession of the United States or under the laws of the Commonwealth of Puerto Rico or a possession of the United States if—

(1) 80 percent or more of the gross income of such corporation for the 3-year period immediately preceding the close of the taxable year (or for such part of such period immediately preceding the close of such taxable year as may be applicable) was derived from sources within the Commonwealth of Puerto Rico or a possession of the United States; and

(2) 50 percent or more of the gross income of such corporation for such period, or for such part thereof, was derived from the active conduct within the Commonwealth of Puerto Rico or a possession of the United States of any trades or businesses constituting the manufacture or processing of goods, wares, merchandise, or other tangible personal property; the processing of agricultural or horticultural products or commodities (including but not limited to livestock, poultry, or fur-bearing animals); the catching or taking of any kind of fish or the mining or extraction of natural resources, or any manufacturing or processing of any products or commodities obtained from such activities; or the ownership or operation of hotels.

For purposes of paragraphs (1) and (2), the determination as to whether income was derived from sources within the Commonwealth of Puerto Rico or a possession of the United States and was derived from the active conduct of a described trade or business within the Commonwealth of Puerto Rico or a possession of the United States shall be made under regulations prescribed by the Secretary or his delegate.

* * * * *

[Sec. 957(c) as added by sec. 12(a), Revenue Act of 1962 (76 Stat. 1006)]

§ 1.957–1 [Reserved]

§ 1.957–2 [Reserved]

§ 1.957–3 Corporations organized in United States possessions.

(a) *General rule.* For purposes of sections 951 through 964, a corporation created or organized in a possession of the United States or under the laws of a possession of the United States shall not be treated as a controlled foreign corporation for any taxable year if—

(1) 80 percent or more of the gross income of such corporation for the 3-year period immediately preceding the close of the taxable year or for such part of such 3-year period as such corporation was in existence or for such part of such 3-year period as occurs on and after the beginning of such corporation's first annual accounting period beginning after December 31, 1962, whichever period is shortest, was derived from sources within a possession of the United States; and

(2) 50 percent or more of the gross income of such corporation for such period, or for such part of such period, was derived from the active conduct within a possession of the United States of one or more trades or businesses constituting—

(i) The manufacture or processing of goods, wares, merchandise, or other tangible personal property;

(ii) The processing of agricultural or horticultural products or commodities (including but not limited to livestock, poultry, or fur-bearing animals);

(iii) The catching or taking of any kind of fish, or any manufacturing or processing of any products or commodities obtained from such activities;

(iv) The mining or extraction of natural resources, or any manufacturing or processing of any products or commodities obtained from such activities; or

(v) The ownership or operation of hotels.

(b) *Special provisions.* For purposes of section 957 (c) and this section—

(1) *United States defined.* The term "United States" includes only the States and the District of Columbia.

(2) *Possession of the United States defined.* The term "possession of the

United States" includes Guam, the Midway Islands, the Panama Canal Zone, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, and Wake Island.

(3) *Determination of source of gross income.* Whether gross income of a corporation referred to in paragraph (a) of this section is derived from sources within a possession of the United States shall be determined by the application of the provisions of § 1.955–6 except that, for purposes of making such determination, the term "produced", as used in paragraph (d) (2) of § 1.955–6, shall also include the activities described in paragraph (a) (2) (i) through (iv) of this section and the activities considered, under subparagraph (4) of this paragraph, to be qualifying trades or businesses.

(4) *Manufacturing or processing.* The trades or businesses which qualify under the provisions of paragraph (a) (2) of this section shall include, but not be limited to, the manufacture of tabulating cards, paper tablets or pads, facial tissues, and paper napkins from rolls of paper; the manufacture of such household products as liquid starch by mixing quantities of the ingredients which are used to produce liquid starch; and the manufacture of juices and drinks from fruit concentrates. In the application of paragraph (a) (2) of this section, proper regard shall be given to the classification of a trade or business as a manufacturing or processing activity under the applicable economic incentive law of the possession involved. The fact that an activity of a corporation qualifies as a trade or business for purposes of paragraph (a) of this section does not necessarily mean that such activity constitutes a substantial transformation of property within the meaning of paragraph (a) (4) of § 1.954–3 for purposes of determining any foreign base company income of such corporation.

[F.R. Doc. 63–11030; Filed, Oct. 17, 1963; 8:46 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

SUBCHAPTER E—AIRSPACE [NEW]

[Airspace Docket No. 63–SO–72]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS [NEW]

Alteration of Control Zone, Control Area and Reporting Point

The purpose of these amendments to Part 71 [New] of the Federal Aviation Regulations is to alter the description of the West Palm Beach, Fla., control zone, control area 1235 and the Halibut Intersection reporting point.

The West Palm Beach control zone, control area 1235 and the Halibut Intersection reporting point are designated, in part, with reference to the West Palm Beach radio range. The FAA has scheduled the conversion of this navigational aid to a radio beacon on or about December 10, 1963. The actions taken herein reflect the conversion of this facility.

Since the changes effected by these amendments are editorial in nature, notice and public procedure hereon are unnecessary and it may be made effective December 10, 1963.

In consideration of the foregoing, the following actions are taken:

1. In § 71.171 (27 F.R. 220–91, November 10, 1962), the West Palm Beach, Fla., control zone is amended to read:

West Palm Beach, Fla.

Within a 5-mile radius of West Palm Beach International Airport (latitude 26°41'25" N., longitude 80°05'35" W.) and within 2 miles each side of the West Palm Beach RBN 090° bearing, extending from the 5-mile radius zone to 10 miles W of the RBN.

2. In § 71.163 (27 F.R. 220–55, November 10, 1962), control 1235 is amended to read:

Control 1235

That airspace within 5 miles each side of the West Palm Beach RBN 090° bearing, extending from the RBN to the INT of the West Palm Beach RBN 090° bearing and the W boundary of the Miami Oceanic/Nassau Control Area, excluding the portions below 1,000 feet MSL outside the United States and within W–497B.

3. Section 71.209 (27 F.R. 220–172, November 10, 1962) is amended as follows: In the Halibut INT, "West Palm Beach, Fla., RR" is deleted and "West Palm Beach, Fla., RBN" is substituted therefor.

These amendments shall become effective 0001 e.s.t., December 10, 1963.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on October 11, 1963.

H. B. HELSTROM,
Acting Chief,
Airspace Utilization Division.

[F.R. Doc. 63–11024; Filed, Oct. 17, 1963; 8:45 a.m.]

[Airspace Docket No. 61–FW–24]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS [NEW]

Alteration of Federal Airways

On June 21, 1961, a notice of proposed rule making was published in the FEDERAL REGISTER (26 F.R. 5527) stating that the Federal Aviation Agency proposed to realign VOR Federal airway No. 243 between Jacksonville, Fla., and Vienna, Ga., via a new VOR to be installed in the vicinity of Waycross, Ga., including an east alternate via Alma, Ga., and to realign VOR Federal airway No. 157 between Taylor, Fla., and Alma via the new Waycross VOR.

On November 29, 1962, a supplemental notice of proposed rule making was published in the FEDERAL REGISTER (27 F.R. 11770) extending the time for comments on the original proposal.

The Department of the Air Force objected to proposals contained in the original notice due to the possible impact of en route traffic on training operations at Moody Air Force Base, Ga. These objections were resolved upon publication of Airspace Docket No. 62–WA–97 (27 F.R. 11939) in which Intensive Student Jet Training Areas were established for Moody AFB.

Interested persons have been afforded an opportunity to participate in the rule making through submission of comments. Due consideration has been given to all relevant matter presented.

Subsequent to publication of the supplemental notice, VOR Federal airway Nos. 819, 839 and 881 have been designated between Taylor and Alma via the alignment of Victor 157. Accordingly, action is also taken herein to redesignate these airways via the altered alignment of Victor 157. Since these changes are minor in nature, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, the following actions are taken:

1. Section 71.123 (27 F.R. 220–6, November 10, 1962, 27 F.R. 12439, 28 F.R. 3482, 3779, 4126) is amended as follows:

a. In V–243 all before "Vienna;" is deleted and "From Jacksonville, Fla., via INT of Jacksonville 304° and Waycross, Ga., 149° radials; Waycross, including an E alternate from INT of Jacksonville 304° and Waycross 149° radials to INT of Alma, Ga., 305° and Vienna, Ga., 139° radials via Alma;" is substituted therefor.

b. In V–157, "Taylor, Fla.;" is deleted and "Taylor, Fla.; Waycross, Ga.;" is substituted therefor.

c. In V–819 "Taylor, Fla.;" is deleted and "Taylor, Fla.; Waycross, Ga.;" is substituted therefor.

d. In V–839 "Tayor, Fla.;" is deleted and "Taylor, Fla.; Waycross, Ga.;" is substituted therefor.

e. In V–881 "Taylor, Fla.;" is deleted and "Waycross, Ga.; Taylor, Fla.;" is substituted therefor.

These amendments shall become effective 0001 e.s.t., December 12, 1963.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on October 11, 1963.

H. HELSTROM,
Acting Chief,
Airspace Utilization Division.

[F.R. Doc. 63–11025; Filed, Oct. 17, 1963; 8:45 a.m.]

SUBCHAPTER F—AIR TRAFFIC AND GENERAL OPERATING RULES [NEW]

[Reg. Docket No. 2022; Amdt. 107]

PART 95—IFR ALTITUDES [NEW]

Miscellaneous Amendments

This amendment is adopted to provide safety in air commerce for IFR operations by prescribing the IFR altitudes at which all aircraft shall be flown over a specified route or portion thereof. These altitudes also assure navigational coverage that is adequate and free of frequency interference for such a route or portion thereof.

As a situation exists which demands immediate action in the interest of safety, I find that compliance with the notice and public procedure provisions of the Administrative Procedure Act is

impracticable and that good cause exists for making this amendment effective within less than 30 days from publication.

In view of the foregoing and pursuant to the authority delegated to me by the Administrator (24 F.R. 5662), Part 95 [New] (14 CFR Part 95 [New]) is amended as follows:

Section 95.608 *Blue Federal airway 8* is deleted.

Section 95.619 *Blue Federal airway 19* is amended to read in part:

From Key West, Fla., LF/RBN; to Perrine, Fla., LF/RBN; MEA *2,000. *1,600—MOCA.

Section 95.625 *Blue Federal airway 25* is amended to read in part:

From Hinchinbrook, Alaska, LFR; to *Sheep Bay INT, Alaska; MEA 6,000. *8,500—MCA Sheep Bay INT, northeastbound.

From Sheep Bay INT, Alaska; to *Tiekel INT, Alaska; MEA 9,500. *8,500—MCA Tiekel INT, northeastbound.

From Tiekel INT, Alaska; to Gulkana, Alaska, LFR; MEA 9,500.

Section 95.648 *Blue Federal airway 48* is amended to read in part:

From Key West, Fla., LF/RBN; to Marathon, Fla., LF/RBN; MEA *2,000. *1,300—MOCA.

Section 95.1001 *Direct route—U.S.* is amended to delete:

From INT 128 M rad Huntsville VOR and 345 M rad LaGrange VOR; to INT 275 M rad Fulton VOR and 357 M rad LaGrange VOR; MEA *5,000. *2,500—MOCA.

Section 95.1001 *Direct route—U.S.* is amended by adding:

From Stebbins INT, Okla.; to Bartlesville, Okla., VOR; MEA 2,200.

From Ukiah, Calif., VOR; to Calistoga INT, Calif.; MEA 6,500.

From Williams, Calif., VOR; to Calistoga INT, Calif.; MEA 6,500.

From Alvord INT, Tex.; to Lewisville INT, Tex.; MEA *4,500. *2,600—MOCA. MAA—10,000.

From Hensley INT, Tex.; to INT 152 M rad DAL and 128 M rad GSW; MEA *3,000. *2,800—MOCA.

From Joshua INT, Tex.; to INT 085 M rad MWL and 220 M rad DAL; MEA *2,700. *2,000—MOCA.

From Fort Worth, Tex., VOR, to Dallas, Tex., VOR; MEA 2,200.

From Fair Park INT, Tex.; to Trinity Fork INT, Tex.; MEA 2,100. MAA—10,000.

Route 1

From *Hawaii INT, Puerto Rico; to Cabo Rojo INT, Puerto Rico; MEA **7,500. *7,500—MRA. **1,300—MOCA.

From Cabo Rojo INT, Puerto Rico; to *Mayaguez INT, Puerto Rico; MEA **2,200. *4,500—MRA. **1,300—MOCA.

From Mayaguez INT, Puerto Rico; to Ramey, Puerto Rico, VOR; MEA 2,200.

Route 8

From Cabo Rojo INT, Puerto Rico; to Ponce, Puerto Rico, VOR; MEA 2,200.

From Ponce, Puerto Rico, VOR; to Point Tuna INT, Puerto Rico; MEA 4,100.

Route 9

From *Hawaii, Puerto Rico, VOR; to **Iowa INT, Puerto Rico; MEA ***2,500. *7,500—MRA. **5,500—MRA. ***1,000—MOCA.

Section 95.1001 *Direct route—U.S.* is amended to read in part:

Route 9

From *Iowa INT, Puerto Rico; to Ponce, Puerto Rico, VOR; MEA 1,500. *5,500—MRA.

From Ponce, Puerto Rico, VOR; to *Midway INT, Puerto Rico; MEA 4,200. *4,500—MRA.

From Midway INT, Puerto Rico; to Guaynabo INT, Puerto Rico; MEA 4,300.

From Guaynabo INT, Puerto Rico; to San Juan, Puerto Rico, VOR; MEA 3,200.

Section 95.6002 *VOR Federal airway 2* is amended to read in part:

From Dickinson, N. Dak., VOR; to Bismarck, N. Dak., VOR; MEA *4,600. *4,100—MOCA.

From Dickinson, N. Dak., VOR, via N alter.; to Bismarck, N. Dak., VOR, via N alter.; MEA *4,300. *4,100—MOCA.

From Fargo, N. Dak., VOR; to Alexandria, Minn., VOR; MEA *3,500. *2,800—MOCA.

From Fargo, N. Dak., VOR, via N alter.; to Alexandria, Minn., VOR, via N alter.; MEA *3,500. *2,800—MOCA.

From Alexandria, Minn., VOR; to Minneapolis, Minn., VOR; MEA *3,200. *2,600—MOCA.

Section 95.6003 *VOR Federal airway 3* is amended to read in part:

From Oak Hill INT, Fla.; to Smyrna INT, Fla.; MEA *1,800. *1,400—MOCA.

From Smyrna INT, Fla.; to Daytona Beach, Fla., VOR; MEA *1,500. *1,400—MOCA.

From Daytona Beach, Fla., VOR; to *Bunnell INT, Fla.; MEA **1,500. *3,000—MRA. **1,200—MOCA.

From Daytona Beach, Fla.; VOR, via E alter.; to *Croaker INT, Fla., via E alter.; MEA **1,500. *3,500—MRA. **1,100—MOCA.

Section 95.6004 *VOR Federal airway 4* is amended to read in part:

From Baker, Oreg., VOR; to Payette INT, Idaho; MEA *9,000. *8,000—MOCA.

From Payette INT, Idaho; to Emmett INT, Idaho, northwest bound; MEA *9,000, southeast bound; MEA 5,500. *5,500—MOCA.

From Emmett INT, Idaho; to Boise, Idaho, VOR; MEA 5,500.

From Baker, Oreg., VOR, via S alter; to Boise, Idaho, VOR, via S alter; MEA *12,000. *8,500—MOCA.

From Boise, Idaho, VOR; to Canyon Creek INT, Idaho; MEA 7,000.

From Canyon Creek INT, Idaho; to Jerome INT, Idaho; MEA *8,500. *8,000—MOCA.

Section 95.6006 *VOR Federal airway 6* is amended to read in part:

From Chagrin Falls INT, Ohio; to Hiram INT, Ohio; MEA 2,600.

From Hiram INT, Ohio; to Youngstown, Ohio, VOR; MEA 3,200.

Section 95.6007 *VOR Federal airway 7* is amended to read in part:

From Milwaukee, Wis., VOR; to Calvary INT, Wis.; MEA 2,500.

From Tallahassee, Fla., VOR; to Spring INT, Ga.; MEA 2,000.

From Spring INT, Ga.; to Dothan, Ala., VOR; MEA 2,500.

From Green Bay, Wis., VOR; to Menominee, Mich., VOR; MEA *2,500. *1,900—MOCA.

From Menominee, Mich., VOR; to Escanaba, Mich., VOR; MEA *2,400. *1,900—MOCA.

Section 95.6008 *VOR Federal airway 8* is amended to read in part:

From Mansfield, Ohio, VOR; to Reedsburg INT, Ohio; MEA 2,500.

From Reedsburg INT, Ohio; to Briggs, Ohio, VOR; MEA 3,100.

From Briggs, Ohio, VOR; to Kilgore INT, Ohio; MEA 3,100.

Section 95.6009 *VOR Federal airway 9* is amended to read in part:

From Milwaukee, Wis., VOR; to Eden INT, Wis.; MEA 2,600.

Section 95.6010 *VOR Federal airway 10* is amended to read in part:

From Chillicothe INT, Mo.; to Kirksville, Mo., VOR; MEA *3,000. *2,300—MOCA.

From Kirksville, Mo., VOR; to Luray INT, Mo.; MEA *2,700. *2,100—MOCA.

From Luray INT, Mo.; to Burlington, Iowa, VOR; MEA 2,100.

From Kirksville, Mo., VOR, via S alter.; to Burlington, Iowa, VOR, via S alter.; MEA *2,500. *2,100—MOCA.

Section 95.6014 *VOR Federal airway 14* is amended to read in part:

From Cleveland, Ohio, VOR; to Mentor INT, Ohio; MEA *3,000. *2,500—MOCA.

From Mentor INT, Ohio; to Jefferson, Ohio, VOR; MEA 3,000.

From Jefferson, Ohio, VOR; to Erie, Pa., VOR; MEA 3,000.

Section 95.6015 *VOR Federal airway 15* is amended to read in part:

From Britton, Tex., VOR, via W alter.; to Waxie INT, Tex., via W alter.; MEA 2,800.

Section 95.6016 *VOR Federal airway 16* is amended to read in part:

From Abilene, Tex., VOR, via S alter.; to Clyde INT, Tex., via S alter.; MEA *3,300. *3,200—MOCA.

From Mustang INT, Tex.; to Big Spring, Tex., VOR; MEA *4,400. *2,900—MOCA.

From Midland, Tex., VOR, via S alter.; to Big Spring, Tex., VOR, via S alter.; MEA *4,400. *4,200—MOCA.

From Gordonsville, Va., VOR; to *Locust Grove INT, Va.; MEA **2,000. *2,000—MRA. **1,500—MOCA.

Section 95.6018 *VOR Federal airway 18* is amended to read in part:

From Quitman, Tex., VOR, via S alter.; to Woodlawn INT, Tex., via S alter.; MEA 1,700.

From Woodlawn INT, Tex., via S alter.; to Shreveport, La., VOR, via S alter., MEA 3,000.

Section 95.6020 *VOR Federal airway 20* is amended to read in part:

From Evergreen, Ala., VOR; to Montgomery, Ala., VOR; MEA 1,800.

Section 95.6023 *VOR Federal airway 23* is amended to read in part:

From Dinuba INT, Calif., via E alter.; to Selma INT, Calif., via E alter.; northwestbound MEA 2,500; southeastbound MEA 3,500.

From Selma INT, Calif., via E alter.; to Fresno, Calif., VOR, via E alter.; MEA 2,000.

From *Lamont INT Calif., via E alter.; to Arvin INT, Calif., via E alter.; MEA 6,500. *7,200—MCA Lamont INT, southbound.

From Arvin INT, Calif., via E alter.; to Bakersfield, Calif., VOR, via E alter.; MEA 3,000.

Section 95.6030 *VOR Federal airway 30* is amended to read in part:

From Attica, Ohio, VOR; to Sharon INT, Ohio; MEA 2,500.

From Sharon INT, Ohio; to Akron, Ohio, VOR; MEA 3,000.

From Akron, Ohio, VOR; to Clarion, Pa., VOR; MEA, 3,300.

Section 95.6035 *VOR Federal airway 35* is amended to read in part:

From St. Petersburg, Fla., VOR; to *Richey INT, Fla.; MEA **1,600. *2,500—MRA. **1,300—MOCA.

From Richey INT, Fla.; to Cross City, Fla., VOR; MEA *2,000. *1,200—MOCA.

Section 95.6037 *VOR Federal airway 37* is amended to read in part:

From Ellwood City, Pa.; to Volant INT, Pa.; MEA 2,700.

From Volant INT, Pa.; to Erie, Pa., VOR; MEA 3,100.

Section 95.6040 *VOR Federal airway 40* is amended to read in part:

From Cleveland, Ohio, VOR; to Sharon INT, Ohio; MEA *3,000. *2,500—MOCA.
From Sharon INT, Ohio; to Briggs, Ohio, VOR; MEA 3,000.
From Briggs, Ohio, VOR; to Wellsville INT, Ohio; MEA 3,100.

Section 95.6043 *VOR Federal airway 43* is amended to read in part:

From Tiverton, Ohio, VOR; to Briggs, Ohio, VOR; MEA 3,100.
From Briggs, Ohio, VOR; to Youngstown, Ohio, VOR; MEA 3,000.
From Youngstown, Ohio, VOR; to Erie, Pa., VOR; MEA 3,000.

Section 95.6050 *VOR Federal airway 50* is amended to read in part:

From Kirksville, Mo., VOR; to Quincy, Ill., VOR; MEA *2,700. *2,100—MOCA.
From Kirksville, Mo., VOR, via S alter.; to Quincy, Ill., VOR, via S alter.; MEA *2,700. *2,100—MOCA.
From Quincy, Ill., VOR; to Virginia INT, Ill.; MEA *2,600. *2,000—MOCA.
From Virginia INT, Ill.; to Capital, Ill., VOR; MEA 2,000.

Section 95.6051 *VOR Federal airway 51* is amended to read in part:

From Oak Hill INT, Fla.; to Smyrna INT, Fla.; MEA *1,800. *1,400—MOCA.
From Smyrna INT, Fla.; to Daytona Beach, Fla., VOR; MEA *1,500. *1,400—MOCA.
From Daytona Beach, Fla., VOR; to *Bunnell INT, Fla.; MEA **1,500. *3,000—MRA. **1,200—MOCA.

Section 95.6052 *VOR Federal airway 52* is amended to read in part:

From Quincy, Ill., VOR; to Rockport INT, Ill.; MEA **2,600. *3,200—MRA. **1,800—MOCA.

Section 95.6053 *VOR Federal airway 53* is amended to read in part:

From Daley INT, Ky.; to Vincent INT, Ky.; MEA *6,000. *3,600—MOCA.

Section 95.6062 *VOR Federal airway 62* is amended to read in part:

From Lubbock, Tex., VOR; to *Spur INT, Tex.; MEA **5,800. *6,500—MRA. **4,500—MOCA.

Section 95.6063 *VOR Federal airway 63* is amended to read in part:

From Hallsville, Mo., VOR; to Quincy, Ill., VOR; MEA *2,700. *2,100—MOCA.

Section 95.6065 *VOR Federal airway 65* is amended to read in part:

From INT 170 M rad, St. Joseph VOR and 223 M rad, Kansas City VOR; to Lansing INT, Kans.; MEA *2,600. *2,200—MOCA.
From Lansing INT, Kans.; to New Market INT, Mo.; MEA *2,700. *2,100—MOCA.

Section 95.6072 *VOR Federal airway 72* is amended to read in part:

From Attica, Ohio, VOR; to Sharon INT, Ohio; MEA 2,500.
From Sharon INT, Ohio; to Akron, Ohio, VOR; MEA 3,000.
From Akron, Ohio, VOR; to Youngstown, Ohio, VOR; MEA 2,900.

Section 65.6075 *VOR Federal airway 75* is amended to read in part:

From Wheeling, W. Va., VOR; to Smithfield INT, Ohio; MEA 3,000.
From Smithfield INT, Ohio; to Briggs, Ohio, VOR; MEA 3,100.
From Briggs, Ohio, VOR; to Sharon INT, Ohio; MEA 3,000.
From Sharon INT, Ohio; to Cleveland, Ohio, VOR; MEA *3,000. *2,500—MOCA.

Section 95.6077 *VOR Federal airway 77* is amended to read in part:

From San Angelo, Tex.; to *Rowena INT, Tex.; MEA **3,500. *7,000—MRA. **3,400—MOCA.

Section 95.6079 *VOR Federal airway 79* is amended to read in part:

From Fort Stockton, Tex., VOR; to *Pyote INT, Tex.; MEA **4,500. *6,000—MRA. **4,000—MOCA.
From Pyote INT, Tex.; to Wink, Tex., VOR; MEA *4,500. *4,000—MOCA.

Section 95.6081 *VOR Federal airway 81* is amended to read in part:

From Dalhart, Tex., VOR; to Tobe, Colo., VOR; MEA 8,500.
From Mustang INT, Tex.; to Pat INT, Tex.; MEA *4,400. *3,900—MOCA.

Section 95.6089 *VOR Federal airway 89* is amended to read in part:

From Scottsbluff, Nebr., VOR, via E alter.; to Chadron, Nebr., VOR, via E alter.; MEA *6,600. *5,600—MOCA.

Section 95.6092 *VOR Federal airway 92* is amended to read in part:

From Mansfield, Ohio, VOR; to Reedsburg INT, Ohio; MEA 2,500.
From Reedsburg INT, Ohio; to Briggs, Ohio, VOR; MEA 3,100.
From Briggs, Ohio, VOR; to Smithfield INT, Ohio; MEA 3,100.
From Smithfield INT, Ohio; to Wheeling, W. Va., VOR; MEA 3,000.

Section 95.6094 *VOR Federal airway 94* is amended to read in part:

From Abilene, Tex., VOR; to Clyde INT, Tex.; MEA *3,300. *3,200—MOCA.
From Britton, Tex., VOR; to Waxie INT, Tex.; MEA 2,800.

Section 95.6100 *VOR Federal airway 100* is amended to read in part:

From Chadron, Nebr., VOR; to O'Neill, Nebr., VOR; MEA *10,000. *5,500—MOCA.

Section 95.6103 *VOR Federal airway 103* is amended to read in part:

From Wheeling, W. Va., VOR; to Smithfield INT, Ohio; MEA 3,000.
From Smithfield INT, Ohio; to Briggs, Ohio, VOR; MEA 3,100.
From Akron, Ohio, VOR, to Chagrin Falls INT, Ohio; MEA 3,000.
From Chagrin Falls INT, Ohio; to U.S.-Canadian Border; MEA *3,500. *3,000—MOCA.

Section 95.6114 *VOR Federal airway 114* is amended to read in part:

From Gregg County, Tex., VOR, via N alter.; to Woodlawn INT, Tex., via N alter; MEA 1,900.
From Woodlawn INT, Tex., via N alter.; to Shreveport, La., VOR, via N alter; MEA 3,000.

Section 95.6115 *VOR Federal airway 115* is amended to read in part:

From Parkersburg, W. Va., VOR; to *Antioch INT, Ohio; MEA 3,000. *3,500—MRA.
From Antioch INT, Ohio; to Pittsburgh, Pa., VOR; MEA 3,000.

Section 95.6116 *VOR Federal airway 116* is amended to read in part:

From Tina INT, Mo.; to Macon, Mo., VOR; MEA *2,600. *2,000—MOCA.
From Macon, Mo., VOR; to Quincy, Ill., VOR; MEA *2,700. *2,100—MOCA.
From Quincy, Ill., VOR; to Canton INT, Ill., MEA *2,600. *2,000—MOCA.
From Canton INT., Ill.; to Peoria, Ill., VOR; MEA 2,000.

Section 95.6119 *VOR Federal airway 119* is amended to read in part:

From Clarion, Pa., VOR; to Fitzgerald, Pa., VOR; MEA 5,500.

Section 95.6126 *VOR Federal airway 126* is amended to read in part:

From Cleveland, Ohio, VOR; to Mentor INT, Ohio; MEA *3,000. *2,500—MOCA.
From Mentor INT, Ohio; to Jefferson, Ohio, VOR; MEA 3,000.
From Jefferson, Ohio, VOR; to Erie, Pa., VOR; MEA 3,000.

Section 95.6131 *VOR Federal airway 131* is amended to read in part:

From McAlester, Okla., VOR; to *Hoffman INT, Okla.; MEA 2,200. *4,700—MRA.
From Hoffman INT, Okla.; to Okmulgee, Okla., VOR; MEA 2,200.

Section 95.6135 *VOR Federal airway 135* is amended to read in part:

From Blythe, Calif., VOR; to Parker, Calif., VOR; MEA 5,400.

Section 95.6139 *VOR Federal airway 139* is amended to read in part:

From Snow Hill, Md., VOR; to Willards INT, Md.; MEA 2,000.
From Willards INT, Md.; to Sea Isle, N.J., VOR; MEA 1,700.

Section 95.6140 *VOR Federal airway 140* is amended to read in part:

From Dyersburg, Tenn., VOR, via S alter.; to Graham, Tenn., VOR, via S alter.; MEA 4,000.

Section 95.6152 *VOR Federal airway 152* is amended to read in part:

From *Lake Helen INT, Fla.; to Daytona Beach, Fla., VOR; MEA **1,600. *2,500—MRA. **1,400—MOCA.
From Woodruff INT, Fla., via N alter.; to Daytona Beach, Fla., VOR, via N alter.; MEA *1,600. *1,400—MOCA.

Section 95.6157 *VOR Federal airway 157* is amended to read in part:

From Ocala, Fla., VOR; to Gainesville, Fla., VOR; MEA *1,700. *1,300—MOCA.
From Gainesville, Fla., VOR; to Dukes INT, Fla.; MEA 1,700.
From Dukes INT, Fla.; to Taylor, Fla., VOR; MEA *2,000. *1,700—MOCA.

Section 95.6159 *VOR Federal airway 159* is amended to read in part:

From Ocala, Fla., VOR; to Gainesville, Fla., VOR; MEA *1,700. *1,300—MOCA.
From Gainesville, Fla., VOR; to Branford INT, Fla.; MEA *1,700. *1,500—MOCA.

Section 95.6169 *VOR Federal airway 169* is amended to read in part:

From Scottsbluff, Nebr., VOR; to Chadron, Nebr., VOR; MEA *6,600. *5,600—MOCA.
From Chadron, Nebr., VOR; to Smithwick, S. Dak., VOR; MEA *6,400. *5,900—MOCA.
From Chadron, Nebr., VOR, via E alter.; to Rapid City, S. Dak., VOR, via E alter.; MEA *6,400. *5,900—MOCA.

Section 95.6171 *VOR Federal airway 171* is amended to read in part:

From Eden Valley INT, Minn.; to Alexandria, Minn., VOR; MEA *3,200. *2,900—MOCA.

Section 95.6181 *VOR Federal airway 181* is amended to delete:

From Grand Forks, N. Dak., VOR; to U.S.-Canadian Border; MEA *4,000. *2,200—MOCA.

Section 95.6181 *VOR Federal airway 181* is amended by adding:

From Grand Forks, N. Dak., VOR; to Pembina, N. Dak., VOR; MEA *2,600. *2,200—MOCA.
From Pembina, N. Dak., VOR; to U.S.-Canadian Border; MEA 2,800.

Section 95.6182 *VOR Federal airway 182* is amended to read in part:

From Douglas, Wyo., VOR; to Chadron, Nebr., VOR; *8,000. *7,700—MOCA.

Section 95.6191 *VOR Federal airway 191* is amended to read in part:

From Milwaukee, Wis., VOR; to Eden INT, Wis.; MEA 2,600

Section 95.6206 *VOR Federal airway 206* is amended to read in part:

From Tina INT, Mo.; to Kirksville, Mo., VOR; MEA *3,100. *2,100—MOCA.

Section 95.6210 *VOR Federal airway 210* is amended to read in part:

From Tiverton, Ohio, VOR; to Irondale INT, Ohio; MEA 3,100.
From Irondale INT, Ohio; to Imperial, Pa., VOR; MEA 2,500.

Section 95.6230 *VOR Federal airway 230* is amended to read in part:

From Los Banos, Calif., VOR; to Mendota INT, Calif.; MEA 4,500.
From Mendota INT, Calif.; to Bland INT, Calif., westbound; MEA 4,500. Eastbound; MEA 2,000.
From Bland INT, Calif.; to Fresno, Calif., VOR; MEA 2,000.
From *Fresno, Calif., VOR; to Friant, Calif., VOR; MEA 5,000. *4,000—MCA Fresno VOR, northeastbound.

Section 95.6232 *VOR Federal airway 232* is amended to read in part:

From Chardon, Ohio, VOR; to Fitzgerald, Pa., VOR; MEA 3,500.

Section 95.6253 *VOR Federal airway 253* is amended to read in part:

From Buhl INT, Idaho; to Canyon Creek INT, Idaho; MEA *8,500. *8,000—MOCA.
From Canyon Creek INT, Idaho; to Boise, Idaho, VOR; MEA 7,000.

Section 95.6264 *VOR Federal airway 264* is amended to read in part:

From *Rialto INT, Calif.; to Redlands INT, Calif., eastbound; MEA 13,500. Westbound; MEA 9,000. *8,500—MCA Rialto INT, westbound. *12,300—MCA Rialto INT, eastbound.

Section 95.6267 *VOR Federal airway 267* is amended to read in part:

From *Lake Helen INT, Fla., via E alter; to Daytona Beach, Fla., VOR, via E alter.; MEA **1,600. *2,500—MRA. **1,400—MOCA.
From Daytona Beach, Fla., VOR, via E alter.; to *Roy INT, Fla., via E alter.; MEA **1,600. *2,500—MRA. **1,200—MOCA.

Section 95.6276 *VOR Federal airway 276* is amended to read in part:

From Briggs, Ohio, VOR, to Power Point INT, Ohio; MEA 3,000.
From Power Point INT, Ohio; to Ellwood City, Pa., VOR, MEA 2,600.

Section 95.6283 *VOR Federal airway 283* is amended to read in part:

From *Fresno, Calif., VOR; to Coarsegold INT, Calif.; MEA 5,000. *4,000—MCA Fresno VOR, northeastbound.

Section 95.6289 *VOR Federal airway 289* is amended to read in part:

From Lufkin, Tex., VOR; to Gregg County, Tex. VOR; MEA 2,000.

Section 95.6308 *VOR Federal airway 308* is deleted.

Section 95.6318 *VOR Federal airway 318* is added to read:

From Border INT, Maine; to Houlton, Maine, VOR; MEA *9,000. *3,800—MOCA.

Section 95.6405 *Hawaii VOR Federal airway 5* is deleted.

Section 95.6427 *VOR Federal airway 427* is amended to read:

From Newcomerstown, Ohio, VOR; to Briggs, Ohio, VOR; MEA 3,000.

Section 95.6437 *VOR Federal airway 437* is amended to read in part:

From Daytona Beach, Fla., VOR; to *Croaker INT, Fla.; MEA **1,500. *3,500—MRA. **1,100—MOCA

Section 95.6440 *VOR Federal airway 440* is amended to read in part:

From Anchorage, Alaska, VOR; to *Martha INT, Alaska; MEA 2,000. *5,000—MCA Martha INT, northwestbound.
From Martha INT, Alaska; to *Friday INT, Alaska; MEA 6,500. *7,000—MCA Friday INT, northwestbound.
From Friday INT, Alaska; to McGrath, Alaska, VOR; MEA 11,500.

Section 95.6443 *VOR Federal airway 443* is amended to read in part:

From Newcomerstown, Ohio, VOR; to Tiverton, Ohio, VOR; MEA 3,000.
From Tiverton, Ohio, VOR, via E alter.; to Sharon INT, Ohio, via E alter.; MEA 3,000.
From Sharon INT, Ohio, via E alter.; to Cleveland, Ohio, VOR, via E alter.; MEA *3,000. *2,500—MOCA.

Section 95.6468 *VOR Federal airway 468* is amended to read:

From Newcomerstown, Ohio, VOR; to Ellwood City, Pa., VOR; MEA 3,100.

Section 95.6507 *VOR Federal airway 507* is amended to read in part:

From *Reynolds INT, Idaho; to Boise, Idaho, VOR; MEA 6,000. *7,300—MCA Reynolds INT, southwestbound.

Section 95.6518 *VOR Federal airway 518* is amended to read in part:

From *Twin Lakes INT, Calif.; to Palmdale, Calif., VOR; MEA 8,000. *7,000—MCA Twin Lakes INT, northeastbound.

Section 95.6520 *VOR Federal airway 520* is amended to read in part:

From *Walla Walla, Wash., VOR; to Cloverland INT, Wash.; MEA 8,000. *5,500—MCA Walla Walla VOR, eastbound.
From Cloverland INT, Wash.; to Lewiston, Idaho, VOR, eastbound; MEA 6,000. Westbound MEA 8,000.

Section 95.6804 *VOR Federal airway 804* is amended to read in part:

From Fitzgerald, Pa., VOR; to Clarion, Pa., VOR; MEA 5,500.
From Imperial, Pa., VOR; to Irondale INT, Ohio; MEA 2,500.
From Irondale INT, Ohio; to Tiverton, Ohio, VOR; MEA 3,100.

Section 95.6810 *VOR Federal airway 810* is amended to read in part:

From Chadron, Nebr., VOR; to O'Neill, Nebr., VOR; MEA *10,000. *5,500—MOCA.

Section 95.6819 *VOR Federal airway 819* is amended to read in part:

From Gainesville, Fla., VOR; to Dukes INT, Fla.; MEA 1,700.
From Dukes INT, Fla.; to Taylor, Fla., VOR; MEA *2,000. *1,700—MOCA.

Section 95.6837 *VOR Federal airway 837* is amended to read in part:

From Evergreen, Ala., VOR; to Montgomery, Ala., VOR; MEA 1,800.
From Gordonsville, Va., VOR; to *Locust Grove INT, Va.; MEA **2,000. *2,000—MRA. **1,500—MOCA.

Section 95.6839 *VOR Federal airway 839* is amended to read in part:

From Gainesville, Fla., VOR; to Dukes INT, Fla.; MEA 1,700.
From Dukes INT, Fla.; to Taylor, Fla., VOR; MEA *2,000. *1,700—MOCA.
From Newcomerstown, Ohio, VOR; to Briggs, Ohio, VOR; MEA 3,000.
From Briggs, Ohio, VOR; to Sharon INT, Ohio; MEA 3,000.
From Sharon INT, Ohio; to Cleveland, Ohio, VOR; MEA *3,000. *2,500—MOCA.

Section 95.6845 *VOR Federal airway 845* is amended to read in part:

From Quincy, Ill., VOR; to Hallsville, Mo., VOR; MEA *2,700. *2,100—MOCA.

Section 95.6854 *VOR Federal airway 854* is amended to read in part:

From O'Neill, Nebr., VOR; to Chadron, Nebr., VOR; MEA *10,000. *5,500—MOCA.

Section 95.6855 *VOR Federal airway 855* is amended to read in part:

From Kilgore INT, Ohio; to Briggs, Ohio, VOR; MEA 3,100.
From Briggs, Ohio, VOR; to Reedsburg INT, Ohio; MEA 3,000.
From Reedsburg INT, Ohio; to Mansfield, Ohio, VOR; MEA 2,500.

Section 95.6880 *VOR Federal airway 880* is amended to read in part:

From Burlington, Iowa, VOR; to Luray INT, Mo.; MEA 2,100.
From Luray INT, Mo.; to Kirksville, Mo., VOR; MEA *2,700. *2,100—MOCA.
From Kirksville, Mo., VOR; to Chillicothe INT, Mo.; MEA *3,000. *2,300—MOCA.
From Chicago, Ill., VOR; to Malta INT, Ill.; MEA 2,500.

Section 95.6881 *VOR Federal airway 881* is amended to read in part:

From Taylor, Fla., VOR; to Dukes INT, Fla.; MEA *2,000. *1,700—MOCA.
From Dukes INT, Fla.; to Gainesville, Fla., VOR; MEA 1,700.

Section 95.1547 *VOR Federal airway 1547* is amended to read in part:

From Dickinson, N. Dak., VOR; to Pembina, N. Dak., VOR; MEA 14,500. MAA 24,000.

Section 95.1730 *VOR Federal airway 1730* is amended to read:

From Prescott, Ariz., VOR; to Winslow, Ariz., VOR; MEA 14,500. MAA 24,000.
From Winslow, Ariz., VOR; to Farmington, N. Mex., VOR; MEA 14,500. MAA 24,000.
From Farmington, N. Mex., VOR; to Alamosa, Colo., VOR; MEA 15,000. MAA 24,000.
From Alamosa, Colo., VOR; to Lamar, Colo., VOR; MEA 16,400. MAA 24,000.
From Lamar, Colo., VOR; to Russell, Kans., VOR; MEA 14,500. MAA 24,000.

These amendments are made under the authority of Sections 307(c), 313(a),

and 601 of the Federal Aviation Act of 1958 (49 U.S.C. 1348(c), 1354(a), 1421; 72 Stat. 749, 752, 775). These rules shall become effective November 14, 1963.

Issued in Washington, D.C., on October 14, 1963.

W. LLOYD LANE,
Acting Director,
Flight Standards Service.

[F.R. Doc. 63-11018; Filed, Oct. 17, 1963; 8:45 a.m.]

SUBCHAPTER I—AIRPORTS [NEW]

[Reg. Docket No. 2021; SFAR 1]

PART 159—NATIONAL CAPITAL AIRPORTS [NEW]

Dulles International Airport; Suspension of Landing Charges

The purpose of this Special Federal Aviation Regulation is to suspend § 159.181(a) of Part 159 [New] of the Federal Aviation Regulations, so far as it provides landing charges for certain aircraft at Dulles International Airport, on November 2 and 3, 1963, during the observance of the fifth anniversary of the Federal Aviation Agency. The aircraft thus relieved of landing charges on the two days will mainly consist of those usually referred to as "general aviation".

The Agency will hold an open house at Dulles International Airport on November 2 and 3 to commemorate that anniversary. The Agency will sponsor numerous activities at the Airport, including safety exhibits, exhibitions of aircraft, and inspection tours. An invitation will be extended to airmen and other interested persons to attend and participate in these anniversary activities, using the Airport as a base for their aircraft.

Since its purpose is to encourage the attendance and participation of as many interested persons as possible, and to encourage and foster civil aviation, the Administrator considers the action taken in this regulation to be in the public interest.

This Special Regulation will not affect the operations of air carriers while engaged in scheduled operations since those operations are not controlled by Part 159 so far as fees are concerned.

The procedural and effective date requirements of section 4 of the Administrative Procedure Act do not apply to this regulation because it is within the exception to section 4 relating to public property.

In consideration of the foregoing, the following Special Federal Aviation Regulation 1 is adopted to become effective November 2, 1963.

1. Section 159.181(a) of Part 159 [New] of the Federal Aviation Regulations, so far as it provides landing charges for aircraft at Dulles International Airport, is suspended for the period November 2 and 3, 1963, with respect to aircraft that are participating in the anniversary activities on those dates.

2. This special regulation shall terminate at 12:00 midnight, November 3, 1963.

This regulation is issued under the authority of section 4 of the Act of September 7, 1950 (64 Stat. 770), as amended.

Issued in Washington, D.C., on October 11, 1963.

N. E. HALABY,
Administrator.

[F.R. Doc. 63-11023; Filed, Oct. 17, 1963. 8:45 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 8556]

PART 13—PROHIBITED TRADE PRACTICES

Central Sewing Center, Inc., et al.

Subpart—Advertising falsely or misleadingly: § 13.70 *Fictitious or misleading guarantees;* § 13.105 *Individual's special selection or situation;* § 13.110 *Indorsements, approval and testimonials;* § 13.155 *Prices;* § 13.155–10 *Bait;* § 13.155–40 *Exaggerated as regular and customary;* § 13.157 *Prize contests.* Subpart—Claiming or using indorsements or testimonials falsely or misleadingly; § 13.330 *Claiming or using indorsements or testimonials falsely or misleadingly;* § 13.330–72 *Publishers.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Central Sewing Center, Inc., et al., Denver, Colo., Docket 8556, Sept. 20, 1963]

In the Matter of Central Sewing Center, Inc., a Corporation, and Leonard H. Dorey, Individually and as an Officer of Said Corporation; and Said Respondents, Doing Busines as Tri-State Distributing

Order requiring Denver, Colo., sellers of sewing machines and vacuum cleaners to the public to cease representing falsely in advertising and orally that their "bait" offers made to develop leads to prospects, were bona fide offers to give sewing machines free to specially selected persons; that an excessive amount set forth as "Retail Value" was the usual price and a stated lesser figure represented savings; that a customer preferring one of their regular line would be granted a substantial discount; that drawings for their products displayed at theaters or business establishments—actually schemes to obtain leads to prospective customers—were bona fide contests and that participants won valuable certificates entitling them to reductions from usual prices; and that their products and practices had been tested and approved by "Good Housekeeping" and "Parents Magazine".

The order to cease and desist is as follows:

It is ordered, That respondent Central Sewing Center, Inc., a corporation, and its officers, and respondent Leonard H. Dorey, individually and as an officer of said corporation, and said respondents separately or collectively doing business at Tri-State Distributing, or under any other trade name or names, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of sewing machines, vacuum cleaners or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing directly or by implication, that any offer to sell said products is being made only to a limited number of persons or to specially selected persons.

2. Representing, directly or by implication, that said products are offered for sale when such offer is not a bona fide offer to sell the merchandise so, and as, offered.

3. Using the words, "Retail Value", or words of similar import, to refer to any amount which is in excess of the price or prices at which such merchandise is usually and customarily sold in the trade area where the representation is made; or otherwise misrepresenting the usual and customary retail selling price or prices of such merchandise in the trade area.

4. Representing in any manner that, by purchasing any of their merchandise, customers are afforded savings amounting to the difference between respondents' stated selling price and any other price used for comparison with that selling price, unless the comparative price used represents the price at which the merchandise is usually and customarily sold at retail in the trade area involved, or is the price at which such merchandise has been usually and regularly sold by respondents at retail in the recent, regular course of their business.

5. Representing, directly or by implication, that contests to select the winners of prizes or awards are being conducted when all of such winners are not selected on the basis of a bona fide drawing or other competitive elimination.

6. Representing, directly or by implication, that awards or prizes are of a certain value or worth when the recipients thereof are not in fact benefited by or do not save the amount of the stated value or worth of such prizes or awards.

7. Representing, unless true, directly or by implication, that "Good Housekeeping" or "Parents' Magazine" have authorized the use of any insignia or emblem by respondents, or have tested or approved respondents' products, advertising, or practices; or misrepresenting in any manner or by any means that respondents' products, advertising, or practices have been tested or approved by any organization or publication.

8. Representing, directly or by implication, that said products are guaranteed unless the nature, extent and duration of the guarantee, the manner in which the guarantor will perform thereunder and the name and address of the guarantor are clearly and conspicuously disclosed and respondents do in fact fulfill all of

their requirements under the terms of said guarantee.

By "Final Order", report of compliance was required as follows:

It is further ordered, That respondents shall, within sixty (60) days after service upon them of this order file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with the order set forth herein.

Issued: September 20, 1963.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 63-11036; Filed, Oct. 17, 1963; 8:46 a.m.]

[Docket No. C-599]

PART 13—PROHIBITED TRADE PRACTICES

Montaldo's Furs, Inc., and Sidney Weiner

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods;* §13.30–30 Fur Products Labeling Act; § 13.155 *Prices;* § 13.155–70 Percentage savings. Subpart—Neglecting, unfairly or deceptively, to make material disclosure; § 13.1845 *Composition;* § 13.-1845–30 Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements;* § 13.1852–35 Fur Products Labeling Act; § 13.1865 *Manufacture or preparation;* § 13.1865–40 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Montaldo's Furs, Inc., et al., New York, N.Y., Docket C-599, Sept. 23, 1963]

In the Matter of Montaldo's Furs, Inc., a Corporation, and Sidney Weiner, Individually and as the Principal Stockholder of the Said Corporation

Consent order requiring retail furriers in New York City to cease violating the Fur Products Labeling Act by advertising in newspapers which failed to show the true animal name of fur and when fur was artificially colored, and to use the term "Dyed Broadtail-processed Lamb" as required, representing furs improperly as "Broadtail", and falsely advertised "* * * Savings of 25% to 50% * * *"; and by failing to keep adequate records as a basis for pricing claims.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents Montaldo's Furs, Inc., a corporation, and its officers and Sidney Weiner, individually and as the principal stockholder of the said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, or offering for sale in commerce or the transportation or distribution in commerce of any fur product; or in connection with the sale, advertising, offering for sale, transportation, or distribution of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products and which:

1. Fails to set forth in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(a) of the Fur Products Labeling Act.

2. Represents directly or by implication through percentage savings claims that prices of fur products are reduced to afford purchasers of respondents' fur products the percentage of savings stated when the prices of such products are not reduced to afford to purchasers the percentage of savings stated.

3. Misrepresents in any manner the savings available to purchasers of respondents' fur products.

4. Falsely or deceptively represents in any manner that prices of respondents' fur products are reduced.

5. Falsely or deceptively identifies any such fur product as to the name or designation of the animal or animals that produced the fur contained in the fur product.

6. Fails to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term instead of the words "Dyed Lamb".

B. Making claims and representations of the types covered by subsections (a), (b), (c) and (d) of Rule 44 of the rules and regulations promulgated under the Fur Products Labeling Act unless there are maintained by respondents full and adequate records disclosing the facts upon which such claims and representations are based.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: September 23, 1963.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 63-11037; Filed, Oct. 17, 1963; 8:46 a.m.]

[Docket No. C-600]

PART 13—PROHIBITED TRADE PRACTICES

Montaldo's, Inc., and Jack Montaldo

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods;* § 13.30–30 Fur Products Labeling Act; § 13.155 *Prices;* § 13.155–70 Percentage savings. Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely;* § 13.1108–45 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition;* § 13.1845–30 Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements;* § 13.1852–35 Fur Products Labeling Act; § 13.1865 *Manufacture or preparation;* § 13.1900 *Source or origin;* § 13.1900–40 Fur Products Labeling Act; § 13.1900–40(b) Place.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Montaldo's, Inc., et al., St. Louis, Mo., Docket C-600, Sept. 23, 1963]

In the Matter of Montaldo's, Inc., a Corporation and Jack Montaldo, Individually and as an Officer of Said Corporation

Consent order requiring a St. Louis, Mo., retail furrier to cease violating the Fur Products Labeling Act by advertising in newspapers which failed to show the true animal name of fur and the country of origin of imported furs and to reveal when fur was artificially colored, to use the term "Dyed Broadtail-processed Lamb" as required and the word "natural" where applicable; and which identified fur products falsely with respect to the animal that produced the fur and falsely advertised "savings of 25% to 50%; by failing in other respects to comply with advertising and invoicing requirements; and by failing to maintain adequate records as a basis for pricing claims.

The order to cease and desist, including further order requiring report of compliance therewith is as follows:

It is ordered, That respondents Montaldo's Inc., a corporation and its officers, and Jack Montaldo individually and as an officer of said corporation and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, or offering for sale in commerce or the transportation or distribution in commerce of any fur product; or in connection with the sale, advertising, offering for sale, transportation, or distribution of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products and which:

1. Fails to set forth in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(a) of the Fur Products Labeling Act.

2. Represents directly or by implication through percentage savings claims that prices of fur products are reduced to afford purchasers of respondents' fur

products the percentage of savings stated when the prices of such products are not reduced to afford to purchasers the percentage of savings stated.

3. Misrepresents in any manner the savings available to purchasers of respondents' fur products.

4. Falsely or deceptively represents in any manner that prices of respondents' fur products are reduced.

5. Falsely or deceptively identifies any such fur product as to the name or designation of the animal or animals that produced the fur contained in the fur product.

6. Fails to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term instead of the words "Dyed Lamb".

7. Fails to set forth the term "Natural" as part of the information required to be disclosed in advertisements under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing in words and figures plainly legible all the information required to be disclosed in each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Failing to set forth on invoices the item number or mark assigned to fur products.

C. Making claims and representations of the types covered by subsections (a), (b), (c) and (d) of Rule 44 of the rules and regulations promulgated under the Fur Products Labeling Act unless there are maintained by respondents full and adequate records disclosing the facts upon which such claims and representations are based.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: September 23, 1963.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 63-11038; Filed, Oct. 17, 1963; 8:46 a.m.]

[Docket No. 8053]

PART 13—PROHIBITED TRADE PRACTICES

Westinghouse Electric Corp.

Subpart—Discriminating in price under § 2, Clayton Act—Price discrimination under 2(a); § 13.715 *Charges and price differentials;* § 13.770 *Quantity rebates or discounts.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 2, 49 Stat. 1526; 15 U.S.C. 13) [Westinghouse Electric Corporation, Pittsburgh, Pa., Docket 8053, Sept. 12, 1963]

Consent order requiring a manufacturer of electrical devices, equipment and supplies to cease discriminating in price in violation of section 2(a) of the Clayton Act by such practices as (1) granting to automotive replacement parts wholesalers who bought in excess of $25,000 worth of its miniature and sealed beam lamps in a contract year, an additional discount over that allowed to purchasers of smaller amounts; and (2) granting to General Motors Corporation on purchases resold to G.M.C. car and truck dealers in competition with replacement parts wholesalers, an additional discount to that allowed such wholesalers.

The order to cease and desist is as follows:

It is ordered, That Westinghouse Electric Corporation, a corporation, its officers, representatives, agents and employees, directly or through any corporate or other device, in or in connection with the sale for replacement purposes, of automotive miniature and sealed beam lamps in commerce, as "commerce" is defined in the Clayton Act, do forthwith cease and desist from: Discriminating, directly or indirectly, in the price of such automotive miniature and sealed beam lamps of like grade and quality, by selling to any purchaser at net prices higher than the net prices charged any other purchaser who, in fact, competes in the resale and distribution of said products with the purchaser paying the higher price.

By "Final Order", report of compliance was required as follows:

It is further ordered, That respondent Westinghouse Electric Corporation, a corporation, shall within sixty (60) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist.

Issued: September 12, 1963.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 63-11039; Filed, Oct. 17, 1963; 8:46 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 20—FROZEN DESSERTS; DEFINITIONS AND STANDARDS OF IDENTITY

Ice Cream and Related Products; Order Amending Standard To List Fructose N.F. as Optional Ingredient

A notice of proposed rule making was published in the FEDERAL REGISTER of June 29, 1963 (28 F.R. 6752) setting forth a proposal by Dawe's Laboratories, Inc., 4800 Richmond Street, Chicago 32, Illinois, to amend the standard of identity for ice cream to provide for the use of fructose N.F. as an optional sweetening ingredient. No comments were filed in response to the notice above cited.

On the basis of the relevant information available it is concluded that it will promote honesty and fair dealing in the interest of consumers to adopt the amendment proposed. Therefore, pursuant to the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055 as amended 70 Stat. 919; 72 Stat. 948; 21 U.S.C. 341, 371) and delegated to the Commissioner (25 F.R. 8625): *It is ordered,* That the standards of identity for ice cream be amended by adding to the list of optional sweetening ingredients in § 20.1(d) a new subparagraph (13), reading as follows:

(13) Fructose N.F.

Because of cross-references, adopting this amendment to the standard for ice cream will have the effect of making fructose N.F. a permitted optional sweetening ingredient of frozen custard (§ 20.2) and ice milk (§ 20.3).

Any person who will be adversely affected by the foregoing order may at any time prior within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective 60 days from the date of its publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Secs. 401, 701, 52 Stat. 1046, 1055 as amended 70 Stat. 919; 72 Stat. 948; 21 U.S.C. 341, 371)

Dated: October 14, 1963.

GEO. P. LARRICK, *Commissioner of Food and Drugs.*

[F.R. Doc. 63-11044; Filed, Oct. 17, 1963; 8:47 a.m.]

PART 121—FOOD ADDITIVES

Subpart F—Food Additives Resulting From Contact With Containers or Equipment and Food Additives Otherwise Affecting Food

COMPONENTS OF PAPER AND PAPERBOARD IN CONTACT WITH DRY FOOD

The Commissioner of Food and Drugs, having evaluated the data submitted in a petition (FAP 722) filed by Stein, Hall and Company, Inc., 285 Madison Avenue, New York 17, New York, and other relevant material, has concluded that the food additive regulations should be amended to provide for the safe use of sodium polyacrylate as a component of the food-contact surface of paper and paperboard intended for use in contact with dry food. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)), and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (25 F.R. 8625), § 121.2571 *Components of paper and paperboard in contact with dry food* (21 CFR 121.2571; 28 F.R. 4615, 7220, 9742) is amended by inserting alphabetically in the "List of substances" in paragraph (b) the following new item:

List of substances	Limitations
* * *	* * *
Sodium polyacrylate	

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: October 14, 1963.

GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 63-11043; Filed, Oct. 17, 1963; 8:47 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

SUBCHAPTER L—MINERAL LANDS

[Circular 2124]

PART 192—OIL AND GAS LEASES

Rentals

On page 3418 of the FEDERAL REGISTER of April 6, 1963, there were published proposed amendments of 43 CFR 192.80. The purpose of the amendments was to clarify the regulations pertaining to rentals payable on oil and gas leases.

Interested persons were given 30 days within which to submit written comments, suggestions, or objections with regard to the proposed amendments. After consideration of all of the comments and suggestions received during that period the proposed amendments are hereby adopted as set forth below to become effective at the beginning of the 30th calendar day following date of this publication in the FEDERAL REGISTER.

Paragraph (b)(3) of § 192.80 is amended and new paragraphs (d) and (e) are added as follows:

§ 192.80 Rentals.

* * * * *

(b) On leases wholly or partly within the known geologic structure of a producing oil or gas field:

* * * * *

(3) If issued competitively, unless a different rate of rental is prescribed in the lease, an annual rental of $2 per acre or fraction thereof prior to a discovery on the leased lands. After a discovery, if the lease is unitized, such rental shall be payable on the nonparticipating acreage only, and royalty as provided in the lease and elsewhere in this Part shall be payable on the participating acreage.

* * * * *

(d) A lease subject to the provisions of section 31 of the act, as amended by section 1(7) of the Act of July 29, 1954 (30 U.S.C. 188) on which there is no well capable of producing oil or gas in paying quantities, shall automatically terminate by operation of law if the lessee fails to pay the full rental due on or before the anniversary date of the lease. However, if the time for payment falls upon any day in which the proper office to receive payment is not open, payment received on the next official working day shall be deemed to be timely. The "anniversary date" of a lease means the same day and month in succeeding years as that on which the lease first became effective. The anniversary date of a lease does not change.

(e) If on the anniversary date of the lease less than a full year remains in the lease term, the rentals due shall be in the same proportion to the annual rental as the period remaining in the lease term is to a full year. The rentals shall be prorated on a monthly basis for the full months, and on a daily basis for the fractional months remaining in the lease term. For the purpose of prorating rentals for a fractional month, each month will be deemed to consist of 30 days.

(1) If the term of a lease for which prorated rentals have been paid is further extended to or beyond the next anniversary date of the lease, rentals for the balance of the lease year shall be due and payable on the date following the date through which the prorated rentals were paid. If the rentals are not paid for the balance of the lease year, the lease will be subject to cancellation by the Secretary after he has given notice to the lessee in accordance with section 31 of the act. However, if the anniversary date occurs before the end of the notice period, the rental for the ensuing lease year shall nevertheless be due on the anniversary date, and failure to pay the full rental for that year on or before that date shall cause the lease to terminate automatically by operation of law, without relieving the lessee of liability for rental due for the balance of the previous lease year. (30 U.S.C. 189; 41 Stat. 437.) If the time for payment falls upon any day in which the proper office to receive payment is not open, payment received on the next official working day shall be deemed to be timely.

STEWART L. UDALL,
Secretary of the Interior.

OCTOBER 11, 1963.

[F.R. Doc. 63-11040; Filed, Oct. 17, 1963; 8:46 a.m.]

Title 50—WILDLIFE AND FISHERIES

Chapter I—Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, Department of the Interior

PART 32—HUNTING

Charles M. Russell National Wildlife Range, Montana

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 32.22 Special regulations; upland game for individual wildlife refuge areas.

MONTANA

CHARLES M. RUSSELL NATIONAL WILDLIFE RANGE

Public hunting of upland game on the Charles M. Russell Range, Montana, is permitted only on the area designated by signs as open to hunting. This open area, comprising 400,000 acres is described as follows:

North of the Missouri River (Phillips County): Beginning at the intersection of U.S. Highway 191 and the north

boundary of the Charles M. Russell National Wildlife Range, thence east to Beauchamp Creek, thence south along Beauchamp Creek to its confluence with the Missouri River, thence west along the river to the Fred Robinson Bridge, thence north along Highway 191 to the Range boundary, the point of beginning.

South of the Missouri River and Reservoir (Fergus, Petroleum and Garfield Counties): Beginning at the intersection of U.S. Highway 191 and the south boundary of the Charles M. Russell National Wildlife Range, thence east along the boundary to the Devils Creek Road in northwest Garfield County, thence north along Devils Creek Road to the Fort Peck Reservoir, thence west along the Reservoir and the Missouri River to the Fred Robinson Bridge, thence south along Highway 191 to the boundary of the Charles M. Russell National Wildlife Range.

It is delineated on a map available at the refuge headquarters and from the Regional Director, Bureau of Sport Fisheries and Wildlife, 1002 Northeast Holladay, Portland, Oregon, 97208. Hunting shall be subject to the following conditions:

(a) Species permitted to be taken: Ring-necked pheasants.

(b) Open season: November 10 through November 24, 1963.

(c) Daily bag limits: 3 birds, one of which may be a hen.

(d) Methods of hunting:

1. Weapons: Must be in accordance with State regulations.

2. Dogs: Not to exceed two dogs per hunter may be used.

(e) Other provisions:

1. The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 32.

2. A Federal permit is not required to enter the public hunting area.

3. The provisions of this special regulation are effective to November 25, 1963.

PAUL T. QUICK,
Regional Director, Bureau of Sport Fisheries and Wildlife.

OCTOBER 10, 1963.

[F.R. Doc. 63-11027; Filed, Oct. 17, 1963; 8:46 a.m.]

Chapter II—Bureau of Commercial Fisheries, Fish and Wildlife Service, Department of the Interior

SUBCHAPTER G—PROCESSED FISHERY PRODUCTS, PROCESSED PRODUCTS, THEREOF AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

PART 266—UNITED STATES STANDARDS FOR GRADES OF FROZEN RAW BREADED FISH PORTIONS [1]

On page 8412 of the FEDERAL REGISTER of August 16, 1963, there was published a notice and text of a proposed amendment of part 266—United States Standards for Grades of Frozen Raw Breaded Fish Portions—of Title 50, Code of Federal Regulations.

Interested persons were given until September 16, 1963, to submit written comments, suggestions of objections with respect to the proposed revised part. Two responses to the proposal were received.

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice, the proposed revised part is hereby adopted with one change and is set forth below. A change was made in § 266.5 to realign the requirements of that section for more direct and simplified application.

The revised part is issued under the authority transferred to the Department of the Interior by section 6(a) of the Fish and Wildlife Act of August 8, 1956 (16 U.S.C. 742e).

This part shall become effective at the beginning of the 30th calendar day following the date of this publication in the FEDERAL REGISTER except that the requirements of § 266.5 shall become effective on such date or on any date subsequent thereto at the election of the applicant but not later than July 1, 1964.

STEWART L. UDALL,
Secretary of the Interior.

OCTOBER 11, 1963.

Sec.

AUTHORITY: §§ 266.1 to 266.25 issued under 16 U.S.C. 742e.

§ 266.1 Description of the product.

Frozen raw breaded portions are clean, wholesome, rectangular-shaped unglazed masses of cohering pieces (not ground) of fish flesh coated with breading. The portions are cut from frozen fish blocks; are coated with a suitable, wholesome batter and breading; and are packaged and frozen in accordance with good commercial practice. They are maintained at temperatures necessary for the preservation of the product. Frozen raw breaded fish portions weigh more than 1½ ounces, and are at least ⅜-inch thick. Frozen raw breaded fish portions contain not less than 75 percent, by weight, of fish flesh. All portions in an individual package are prepared from the flesh of one species of fish.

§ 266.2 Styles of frozen raw breaded fish portions.

(a) *Style I—Skinless portions.* Portions prepared from fish blocks which have been made with skinless fillets.

(b) *Style II—Skin-on-portions.* Portions prepared from fish blocks which have been made with demonstrably acceptable skin-on fillets.

§ 266.3 Grades of frozen raw breaded fish portions.

(a) "U.S. Grade A" is the quality of frozen raw breaded fish portions that (1) possess good flavor and odor and (2) rate a total score of not less than 85 points for those factors of quality that are rated in accordance with the scoring system outlined in this part.

(b) "U.S. Grade B" is the quality of frozen raw breaded fish portions that (1) possess at least reasonably good flavor and odor and (2) rate a total score of not less than 70 points for those factors of quality that are rated in accordance with the scoring system outlined in this part.

(c) "Substandard" is the quality of frozen raw breaded portions that meet the requirements of § 266.1, Description of Product, but otherwise fail to meet the requirements of "U.S. Grade B".

§ 266.5 Labeling requirements for styles of frozen raw breaded fish portions.

Section 260.86 (a) (b) and (c) of Part 260 states the requirements for the use of approved grade marks, inspection marks and combined grade and inspection marks on processed fishery products. When an approved inspection mark is used on Style II (§ 266.2) of frozen raw breaded fish portions, that style shall be conspicuously revealed on the label as having been made from "skin-on fillets".

§ 266.11 Determination of the grade.

The grade is determined by examining the product in the frozen and cooked states and is evaluated in accordance with the following factors:

(a) *Factors rated by score points.* Points are deducted for variations in the quality of each factor in accordance with the schedule in table 1. The total points deducted is subtracted from 100 to obtain the score. The maximum score is 100; the minimum score is 0.

(b) *Factors not rated by score points.* The factor of "flavor and odor" is evaluated organoleptically by smelling and tasting, after the product has been cooked in accordance with § 266.21.

(1) Good flavor and odor (essential requirements for a Grade A Product) means that the cooked product has the typical flavor and odor of the indicated species of fish and of the breading and is free from rancidity, bitterness, staleness, and off-flavors and off-odors of any kind.

(2) Reasonably good flavor and odor (minimum requirements of a Grade B Product) means that the cooked product is lacking in good flavor and odor but is free from objectionable off-flavors and off-odors of any kind.

[1] Compliance with the provisions of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug and Cosmetic Act.

TABLE 1—SCHEDULE OF POINT DEDUCTIONS PER SAMPLE UNIT OF 10 PORTIONS

		Factors scored		Method of determining score	Deduct
Frozen state	1	Condition of package		Small degree: Moderate loose breading and/or moderate frost Large degree: Excessive loose breading and/or excessive amount frost.	3 6
	2	Ease of separation		Minor: Hand separated with difficulty. Each affected Major: Separated only by knife or other instrument. Each affected.	1 2
	3	Broken portion		Break or cut greater than ½ width or length. Each affected	10
	4	Damaged portion		Mashed, mechanically and/or physically injured, misshaped or mutilated.[1] Minor: 1 to 5 instances. Each affected Major: Over 5 instances. Each affected	 2 4
	5	Uniformity	Size	Deviation in length or width between the 2 largest and 2 smallest portions is: Up to ¼ inch Over ¼ inch and up to ½ inch Over ½ inch	 0 3 10
	6	Uniformity	Weight	Weight ratio of the 2 heaviest divided by the 2 lightest portions: Over 1.0 but not over 1.2 Over 1.2 but not over 1.3 Over 1.3 but not over 1.4 Over 1.4	 0 2 5 10
Cooked state	7	Distortion		Minor: Bending, shrinking, twisting—¼ to ½ inch. Each affected Major: Excessive bending, shrinking, twisting—over ½ inch. Each affected.	1 2
	8	Coating defects		Bare spots, blistering, ridges, breaks, curds: [1] Minor: 1 to 6 instances. Each affected Major: Over 6 instances. Each affected	 1 2
	9	Blemishes		Skin (except for style II), blood spots, bruises, and discolorations: [1] Minor: 1 to 6 instances. Each affected Major: Over 6 instances. Each affected	 2 4
	10	Bones		Portions containing bones (potentially harmful). Each affected	10
	11	Texture	Coating	Small degree: Moderately dry, soggy, doughy, or tough Large degree: Farinaceous (mealy), pasty, very tough	5 15
	12	Texture	Fish flesh	Small degree: Moderately dry, soft, mushy Large degree: Dry to the point of fibrousness, very mushy, tough, or rubbery (skin for style II).	5 15

[1] An instance=each 1/16 square inch (¼-inch square).

§ 266.21 Definitions.

(a) Selection of the sample unit: The sample unit shall consists of 10 frozen raw breaded fish portions taken at random from one or more packages as required. The fish portions are spread out on a flat pan or sheet and are examined according to table 1. Definitions of factors for point deductions are as follows:

(b) Examination of sample, frozen state: (1) "Condition of package" refers to the presence in the package of loose breading and/or loose frost.

(2) "Ease of separation" refers to the difficulty of separating the portions from each other or from the packaging material.

(3) "Broken portion" means a portion with a break or cut equal to or greater than one-half the width or length of the portion.

(4) "Damaged portion" means a portion that has been mashed, physically or mechanically injured, misshaped or multilated to the extent that its appearance is materially affected. The amount of damage is measured by using a grid composed of squares ¼-inch x ¼-inch (that is, squares with an area of 1/16 square inch each) to measure the area of the portion affected. No deductions are made for damage of less than 1/16 square inch.

(5) "Uniformity of size" refers to the degree of uniformity in length and width of the frozen portions. Deviations are measured from the combined lengths of the two longest minus the combined lengths of the two shortest and/or the combined widths of the two widest minus the combined widths of the two narrowest portions in the sample. Deductions are not made for overall deviations in length or width up to ¼ inch.

(6) "Uniformity of weight" refers to the degree of uniformity of the weights of the portions. Uniformity is measured by the combined weight of the two heaviest portions divided by the combined weight of the two lightest portions in the sample. No deductions are made for weight ratios less than 1.2.

(c) (1) Cooked state means the state of the product after being cooked in accordance with the instructions accompanying the product. If, however, specific instructions are lacking, the product being inspected is cooked as follows:

(2) Transfer the product, while still frozen, into a wire mesh fry basket large enough to hold the fish portions in a single layer and cook by immersing them 3–5 minutes in liquid or hydrogenated cooking oil heated to 350 to 375° F. After cooking, allow the fish portions to drain 15 seconds and place them on a paper napkin or towel to absorb excess oil.

(d) Examination of sample, cooked state.

(1) "Distortion" refers to the degree of bending of the long axis of the portion. Distortion is measured as the greatest deviation from the long axis. Deductions are not made for deviations of less than ¼ inch.

(2) "Coating defects" refers to breaks, lumps, ridges, depressions, blisters or swells and curds in the coating of the cooked product. Breaks in the coating are objectionable bare spots through which the fish flesh is plainly visible. Lumps are objectionable outcroppings of breading on the portion surface. Ridges are projections of excess breading at the edges of the portions. Depressions are objectionable visible voids or shallow areas that are lightly covered by breading. Blisters are measured by the swelling or exposed area in the coating resulting from the bursting or breaking of the coating. Curd refers to crater-like holes in the breading filled with coagulated white or creamy albumin. Instances of these defects are measured by a plastic grid marked off in ¼-inch squares (1/16 square inch). Each square is counted as 1 whether it is full or fractional.

(3) "Blemishes" refers to skin (except for Style II), blood spots or bruises, objectionable dark fatty flesh, or extraneous material. Instances of blemishes refers to each occurrence measured by placing a plastic grid marked off in ¼-inch squares (1/16 square inch) over the defect area. Each square is counted as 1 whether it is full or fractional.

(4) "Bones" means the presence of potentially harmful bones in a portion. A potentially harmful bone is one that after being cooked is capable of piercing or hurting the palate.

(5) "Texture defects of the coating" refers to the absence of the normal textural properties of the coating which are crispness and tenderness. Defects in coating texture are dryness, sogginess, mushiness, doughyness, toughness, pastyness, as sensed by starchiness or other sticky properties felt by mouth tissues and/or mealiness.

(6) "Texture defects of the fish flesh and texture of skin in Style II" refers to the absence of the normal textural properties of the cooked fish flesh and to the absence of tenderness of the cooked skin in Style II. Normal textural properties of cooked fish flesh are tenderness, firmness, and moistness without excess water. Texture defects of the cooked flesh are dryness, mushiness, toughness, and rubberyness. Texture defects of the cooked skin in Style II are mushiness, rubberyness, toughness, and stringiness.

(e) General definitions. (1) "Small" (overall assessment) refers to a condition that is noticeable but is not seriously objectionable.

(2) "Large" (overall assessment) refers to a condition that not only is noticeable but is seriously objectionable.

(3) "Minor" (individual assessment) refers to a defect that slightly affects the appearance and/or utility of the product.

(4) "Major" (individual assessment) refers to a defect that seriously affects the appearance and/or utility of the product.

(f) *Minimum fish flesh content* refers to the minimum percent, by weight, of the average fish flesh content of 3 or more portions per sample unit as determined by the following method:

(1) *Equipment needed.* (i) Water bath (for example, a 3 to 4 liter beaker).

(ii) Balance accurate to 0.1 gram.

(iii) Clip tongs of wire, plastic, or glass.

(iv) Stop-watch or regular watch readable to a second.

(v) Paper towels.

(vi) Spatula, 4-inch blade with rounded tip.

(vii) Nut picker.

(viii) Thermometer (immersion type) accurate to ±2°F.

(ix) Copper sulfate crystals ($CuSO_4 \cdot 5H_2O$)—one pound.

(2) *Procedure.* (i) Weigh all portions in the sample while they are still hard frozen.

(ii) Place each portion individually in a water bath that is maintained at 63° F. to 86° F. and allow to remain until the breading becomes soft and can easily be removed from the still frozen fish flesh (between 10 to 80 seconds for portions held in storage at 0° F.). If the portions were prepared using batters that are difficult to remove after one dipping, redip them for up to 5 seconds after the initial debreading and remove residual batter materials.

NOTE: Several preliminary trials may be necessary to determine the exact dip time required for "debreading" the portions in a sample unit. For these trials only, a saturated solution of copper sulfate (1 pound of copper sulfate in 2 liters of tap water) is necessary. The correct dip time is the minimum time of immersion in the copper sulfate solution required before the breading can easily be scraped off: *Provided,* (1) That the "debreaded" portions are still solidly frozen and (2) only a slight trace of blue color is visible on the surface of the "debreaded" fish portions.

(iii) Remove the portion from the bath; blot lightly with double thickness paper toweling; and scrape off or pick out coating from the fish flesh with the spatula or nut picker.

(iv) Weigh all the "debreaded" fish portions.

(v) Calculate the percent of fish flesh in the sample using the following formula:

$$\text{Percent fish flesh} = \frac{\text{Weight of fish flesh (d)}}{\text{Weight of raw breaded portions (a)}} \times (100)$$

§ 266.25 Tolerances for certification of officially drawn samples.

The sample rate and grades of specific lots shall be certified in accordance with Part 260, of this chapter (Regulations Governing Processed Fishery Products, Vol. 25 F.R. 8427 September 1, 1960) except that a sample unit shall consist of 10 portions taken at random from one or more packages as required.

Second Issue: These standards supersede the standards which have been in effect since March 23, 1960.

[F.R. Doc. 63-11028; Filed, Oct. 17, 1963; 8:46 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 1071]

[Docket No. AO–227–A14]

MILK IN NEOSHO VALLEY MARKETING AREA

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreement and order regulating the handling of milk in the Neosho Valley marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington, D.C., 20250, by the third day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order as amended, were formulated, was conducted at Pittsburg, Kansas, on October 1, 1963, pursuant to notice thereof which was issued September 19, 1963 (28 F.R. 10383).

The material issue on the record of the hearing relates to discontinuing the base-excess plan in paying producers.

Findings and conclusions. The following findings and conclusions on the material issue are based on evidence presented at the hearing and the record thereof:

The base and excess plan of distributing returns for milk among producers should be discontinued.

The base and excess plan has been a part of the order since its promulgation on December 1, 1951. Its single purpose was to encourage an even rate of production throughout the year. Under the base and excess plan a producer establishes a base for each of the months of February through July according to his deliveries to approved plants during the preceding months of September through December. In each month of February through July separate uniform prices for base milk and excess milk are computed and Class I utilization during each month is first allotted to base milk. Excess milk, that milk in excess of each producer's established base, is assigned first to Class II use, to the extent that an equivalent quantity of producer milk is so allocated, and any remainder is assigned to Class I. For all other months producers receive the marketwide uniform price for all milk delivered to approved plants.

Three cooperative associations whose members deliver approximately 85 percent of the producer milk under the order proposed the removal of the base and excess plan from the order. There was no opposition to the joint proposal of the three producer associations.

The base rating plan in the order, designed to level the seasonality of milk production so as to provide an adequate supply of pure and wholesome milk to the consuming public on a year-around basis, has served the purpose for which it was established but the need for the provision no longer exists. Until the past few years, milk production for the Neosho Valley marketing area came from relatively small producers who shipped their milk in cans. The market is now supplied by fewer producers who make larger daily deliveries. Approximately 95 percent of the producers now have bulk tanks and they deliver an adequate and a relatively consistent supply of milk to the market each day.

Together the three cooperative associations operating under the Neosho Valley order have milk which is regulated under eight other Federal orders. The base and excess provisions or the Neosho Valley order restrict these cooperatives in the movement of milk between the various Federal orders in which they operate. These provisions prevent the cooperatives from obtaining the highest possible total Class I utilization of their members' milk by requiring them to keep certain milk on the Neosho Valley market during the base-forming months in order to establish bases for individual-member producers. There is some production in the Neosho Valley market beyond the needs of that market's fluid sales even during the base-forming months. Class I outlets are available for such excess production in other markets. However, the base and excess plan is preventing this excess milk from moving into other market Class I outlets.

Further, the base and excess plan is ineffective with respect to payments to producers who are members of the three cooperative associations since the cooperatives reblend the proceeds of their sales of all member milk, including milk regulated under other Federal orders, when paying producers under the Neosho Valley order. Thus, the cooperatives' member producers do not individually receive the order base and excess prices for their milk.

Deleting the base-excess plan for distributing returns from milk among producers will not change the handlers' costs of milk.

Rulings on proposed findings and conclusions. No briefs or proposed findings and conclusions were filed on behalf of interested parties. The evidence in the record was considered in making the findings and conclusions set forth above.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order amending the order. The following order amending the order as amended regulating the handling of milk in the Neosho Valley marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

1. Section 1071.22(j)(2) is revised as follows:

§ 1071.22 **Duties.**

* * * * *

(j) * * *

(2) On or before the 12th day of each delivery period the uniform price computed pursuant to § 1071.71 and the butterfat differential computed pursuant to § 1071.52, both for the previous delivery period; and

2. Section 1071.60 is revised as follows:

§ 1071.60 **Producer-handlers.**

Sections 1071.40 through 1071.46, 1071.50 through 1071.52, 1071.70, 1071.71 and 1071.90 through 1071.97 shall not apply to a producer-handler.

§ 1071.71 **[Amendment]**

3. In the introductory text of § 1071.71, the words "of August through January" are revoked.

§ 1071.72 **[Revocation]**

4. Section 1071.72 is revoked.

§§ 1071.80, 1071.81, 1071.82, 1071.83 **[Revocation]**

5. Sections 1071.80, 1071.81, 1071.82, 1071.83 and the center head "Base Rating" are revoked in their entirety.

6. In § 1071.90(b), the introductory text preceding subparagraph (1) is revised as follows:

§ 1071.90 **Time and method of payment.**

* * * * *

(b) On or before the 17th day after the end of each delivery period, for all milk received during such delivery period from such producer at not less than the uniform price for such delivery period computed pursuant to § 1071.71 subject to the following adjustments:

* * * * *

7. Section 1071.93 is revised as follows:

§ 1071.93 **Payments to the producer-settlement fund.**

On or before the 13th day after the end of each delivery period, each handler shall pay to the market administrator any amount by which the total value of the milk received by such handler from producers as determined pursuant to § 1071.70 for such delivery period is greater than an amount computed by multiplying the total hundredweight of milk received from producers during the delivery period by the applicable uniform price adjusted by the producer butterfat and location differentials pursuant to § 1071.91.

8. In § 1071.94, the text preceding the first proviso is revised as follows:

§ 1071.94 **Payments out of the producer-settlement fund.**

On or before the 14th day after the end of each delivery period the market administrator shall pay to each handler for payment to producers or a cooperative association, any amount by which the value of the milk received by such handler from producers as determined pursuant to § 1071.70 for the delivery period is less than an amount computed by multiplying the total hundredweight of milk received from producers during the delivery period by the applicable uniform price adjusted by the producer butterfat and location differentials pursuant to § 1071.91:

* * * * *

Signed at Washington, D.C., on October 14, 1963.

CHARLES S. MURPHY,
Under Secretary.

[F.R. Doc. 63-11034; Filed, Oct. 17, 1963; 8:46 a.m.]

[7 CFR Part 53]

CARCASS BEEF

Proposed Revision of Official United States Standards for Grades

On September 18, 1963, pursuant to section 4 of the Administrative Procedure Act (5 U.S.C. 1003), there was published in the FEDERAL REGISTER (28 F.R. 10208), a notice of a proposal to revise the official United States standards for grades of carcass beef appearing in 7 CFR Part 53, under the provisions of sections 203 and 205 of the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1622 and 1624). The notice provided for a 60-day period within which interested persons could submit written data, views, or arguments to the Director of the Livestock Division concerning the proposal. It is now deemed advisable to provide additional time for such submissions. Any person who wishes to do so may file written data, views, or arguments relating to the proposal with the Director, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington, D.C., 20250, on or before April 1, 1964.

Done at Washington, D.C. this 14th day of October 1963.

ROY W. LENNARTSON,
Acting Administrator.

[F.R. Doc. 63-11033, Filed, Oct. 17, 1963; 8:46 a.m.]

[7 CFR Part 81]

INSPECTION OF POULTRY AND POULTRY PRODUCTS

Proposed Meat Content Standards

Correction

In F.R. Doc. 63-10846, appearing at page 11017 of the issue for Tuesday, October 15, 1963, the following corrections are made in § 81.134(c):

1. In the second sentence of subparagraph (1), the word "number" should read "manner".

2. In Table II following subparagraph (2)(iv), a blank space should precede the word "percent" in item 4 of the "product name" column, so that the entry reads as follows:

4. Boned (kind) with ------ percent broth [3] ------

Agricultural Research Service

[7 CFR Part 362]

REGULATIONS UNDER FEDERAL INSECTICIDE, FUNGICIDE AND RODENTICIDE ACT

Notice of Availability for Public Inspection of Comments on Proposed Revision

On September 6, 1963 a notice of a proposed revision of the regulations (7 CFR Part 362) for the enforcement of the Federal Insecticide, Fungicide and Rodenticide Act was published in the FEDERAL REGISTER (28 F.R. 9783), and interested persons were invited to submit written data, views and arguments thereon to the Department.

Since the publication of the notice in the FEDERAL REGISTER, question has been raised as to whether the written data, views, and arguments filed with the Department in response to the notice are available to the public. In view of the substantial public interest in the subject matter of the regulations, arrangements have been made for all such data, views, and arguments to be made available for public examination in the Office of the Hearing Clerk, Room 112-A, U.S. Department of Agriculture, Washington, D.C.

Done at Washington 25, D.C. this 16th day of October 1963.

M. R. CLARKSON,
Acting Administrator,
Agricultural Research Service.

[F.R. Doc. 63-11079; Filed, Oct. 17, 1963; 8:48 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 71 [New]]

[Airspace Docket No. 63-WE-21]

CONTROL ZONE AND TRANSITION AREA

Proposed Alteration and Designation

Notice is hereby given that the Federal Aviation Agency is considering amendments to Part 71 [New] of the Federal Aviation regulations, the substance of which is stated below.

The following controlled airspace is designated in the Burbank, Calif., terminal area:

1. The Burbank control zone is designated within a 5-mile radius of Lockheed Air Terminal, Burbank, Calif., excluding the portion west of a line from latitude 34°16'00" N., longitude 118°25'55" W. to latitude 34°09'25" N., longitude 118°25'40" W. and the portion within a 1-mile radius of Whiteman Airpark, Pacoima, Calif.

2. The Van Nuys Airport control zone is designated within a 5-mile radius of Van Nuys Airport, excluding the portion east of a line from latitude 34°16'00" N., longitude 118°25'55" W. to latitude 34°09'25" N., longitude 118°25'40" W.

3. The Burbank control area extension is designated as that airspace bounded on the southeast by Victor 8 north, on the south by Victor 16, on the southwest by Victor 107, on the northwest by Victor 12 and the east boundary of Victor 23, and on the northeast by Victor 137.

The FAA, having completed a comprehensive review of the terminal airspace structure requirements in the Burbank area, including studies attendant to the implementation of the provisions of CAR Amendments 60-21/60-29, has under consideration the following airspace actions:

1. Alter the Burbank control zone by redesignating it as that airspace within a 5-mile radius of Lockheed Air Terminal, Burbank, Calif. (latitude 34°12'15" N., longitude 118°21'30" W.), and within 2 miles each side of the 113° true bearing

from the Glendale, Calif., RBN, extending from the 5-mile radius zone to 6 miles southeast of the RBN, excluding the portion west of a line from latitude 34°16'00'' N., longitude 118°25'55'' W., to latitude 34°09'25'' N., longitude 118°25'40'' W. and the portion within a 1-mile radius of Whiteman Airpark, Pacoima, Calif. (latitude 34°15'35'' N., longitude 118°-24'45'' W.).

2. Designate the Burbank transition area as that airspace extending upward from 700 feet above the surface bounded by a line beginning at latitude 34°14'00'' N., longitude 118°47'00'' W.; to latitude 34°14'00'' N., longitude 118°15'00'' W.; to latitude 34°12'00'' N., longitude 118°-15'00'' W.; to latitude 34°12'00'' N., longitude 117°59'00'' W.; to latitude 33°-56'00'' N., longitude 117°59'00'' W.; to latitude 33°56'00'' N., longitude 118°07'-00'' W.; to latitude 34°00'00'' N., longitude 118°07'00'' W.; to latitude 34°00'00'' N., longitude 118°15'00'' W.; to latitude 34°05'00'' N., longitude 118°15'00'' W.; to latitude 34°05'00'' N., longitude 118°-33'00'' W.; to latitude 34°04'00'' N., longitude 118°33'00'' W.; to latitude 34°04'00'' N., longitude 118°43'00'' W.; to latitude 34°10'00'' N., longitude 118°-43'00'' W.; to latitude 34°10'00'' N., longitude 118°47'00'' W.; thence to point of beginning; and that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at latitude 34°30'00'' N., longitude 118°-50'00'' W.; to latitude 34°30'00'' N., longitude 118°45'00'' W.; thence north along longitude 118°45'00'' N. to the southern boundary of Victor 137, thence along the southern boundary of Victor 137 to longitude 118°20'00'' W.; to latitude 34°30'00'' N., longitude 118°20'00'' W.; to latitude 34°30'00'' N., longitude 117°43'00'' W.; to latitude 34°10'00'' N., longitude 117°43'00'' W.; to latitude 34°-10'00'' N., longitude 117°59'00'' W.; to latitude 34°05'00'' N., longitude 117°-59'00'' W., to latitude 34°05'00'' N., longitude 118°33'00'' W.; to latitude 34°-00'00'' N., longitude 118°33'00'' W.; to latitude 34°00'00'' N., longitude 118°-50'00'' W.; thence to point of beginning.

The floors of the airways which would traverse the transition area proposed herein would automatically coincide with the floors of the transition areas.

The actions proposed herein would increase the size of the presently designated control zone at Burbank by the addition of a control zone extension to provide protection for aircraft executing prescribed instrument approach and departure procedures at Lockheed Air Terminal. No change in the configuration of the Van Nuys Airport control zone would be required. The portion of the proposed Burbank transition area with a floor of 700 feet above the surface would provide protection for aircraft executing the portions of the prescribed instrument approach, departure and radar vectoring procedures conducted beyond the limits of the Burbank and Van Nuys control zones and below the floor of the proposed 1,200-foot floor area. The floor of controlled airspace beyond the proposed 700-foot floor areas would be raised from 700 to 1,200 feet above the surface. The controlled airspace released would become available for other aeronautical purposes. The portions of controlled airspace retained would provide protection for aircraft executing prescribed holding, approach, missed approach, radar and departure procedures within the Burbank terminal area.

The portion of the Burbank control area extension within the lateral limits of the proposed transition area would automatically assume a floor coincident with that of the transition area. Revocation of the Burbank control area extension will be processed at a later date as a part of the terminal area CAR Amendments 60–21/60–29 implementation studies in adjacent terminal areas.

Certain minor revisions to prescribed instrument procedures would accompany the actions proposed herein, but operational complexities would not be increased nor would aircraft performance characteristics or established landing minimums be adversely affected.

Specific details of the changes to procedures and minimum instrument flight rules altitudes that would be required may be examined by contacting the Chief, Air Traffic Branch, Federal Aviation Agency, Western Region Area Office, P.O. Box 45018, Los Angeles, Calif., 90045.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Director, Western Region, Attn: Chief, Air Traffic Branch, Federal Aviation Agency, Western Region Area Office, P.O. Box 45018, Los Angeles, California, 90045. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Air Traffic Branch, Western Region Area Office, or the Chief Airspace Utilization Division, Federal Aviation Agency, Washington, D.C., 20553. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room C–226, 1711 New York Avenue NW., Washington, D.C., 20553. An informal Docket will also be available for examination at the office of the Branch Chief, Western Region Area Office.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on October 11, 1963.

H. B. HELSTROM,
Acting Chief,
Airspace Utilization Division.

[F.R. Doc. 63–11020; Filed, Oct. 17, 1963; 8:45 a.m.]

[14 CFR Part 71 [New]]

[Airspace Docket No. 63–CE–70]

CONTROL ZONE, TRANSITION AREA, AND CONTROL AREA EXTENSION

Notice of Proposed Alteration, Designation, and Revocation

Notice is hereby given that the Federal Aviation Agency is considering amendments to Part 71 [New] of the Federal Aviation regulations, the substance of which is stated below.

The following controlled airspace is designated in the Alpena, Mich., terminal area:

1. The Alpena control zone is designated as that airspace within a 5-mile radius of Phelps Collins Airport, Alpena, Mich., (latitude 45°05'00'' N., longitude 83°33'30'' W.), and within 2 miles either side of the 185° true bearing from the Alpena RBN extending from the 5-mile radius zone to the RBN. This control zone is effective during the specific dates and times established in advance by a Notice to Airmen, and continuously published in the Airmen's Guide.

2. The Alpena control area extension is designated as that airspace bounded by a line beginning at latitude 45°28'00'' N., longitude 83°30'00'' W., thence to latitude 45°16'30'' N., longitude 83°11'-25'' W., thence to latitude 44°42'00'' N., longitude 83°52'30'' W., thence to latitude 44°53'00'' N., longitude 84°11'30'' W., thence to the point of beginning. This control area extension is effective during the specific dates and times established in advance by a Notice to Airmen and continuously published in the Airmen's Guide.

The FAA, having completed a comprehensive review of the terminal airspace structure requirements in the Alpena area, including studies attendant to the implementation of the provisions of CAR Amendments 60–21/60–29, has under consideration the following airspace actions:

1. Alter the Alpena control zone by redesignating it within a 5-mile radius of Phelps Collins Airport, Alpena, Mich. (latitude 45°05'00'' N., longitude 83°33'-30'' W.), within 2 miles each side of the Phelps Collins TACAN (latitude 45°05'-00'' N., longitude 83°33'30'' W.) 350° true radial, extending from the 5-mile radius zone to 6 miles north of the TACAN, and within 2 miles each side of the 176° and 356° true bearings from the Alpena RBN, extending from the 5-mile radius zone to 8 miles north of the RBN. This control zone would be effective during the specific dates and times established in advance by a Notice to Airmen, and continuously published in the Airmen's Guide.

2. Designate the Alpena transition area as that airspace extending upward from 700 feet above the surface within a 7-mile radius of Phelps Collins Airport, Alpena, Mich., and that airspace extending upward from 1,200 feet above the airport within a 21-mile radius of Phelps Collins Airport, and within the arc of a 29-mile radius circle centered on the Phelps Collins RBN, extending from a line 5 miles west of and parallel to the

356° True bearing from the Phelps Collins RBN clockwise to a line 5 miles east of and parallel to the 021° True bearing from the Phelps Collins RBN. The portion of this transition area which would coincide with the Oscoda, Mich., control area extension would be excluded. This transition area would be effective during the specific dates and times established in advance by a Notice to Airmen, and continuously published in the Airmen's Guide.

3. Revoke the Alpena control area extension.

The action proposed herein to alter the Alpena control zone would lengthen and realign the existing north control zone extension for the protection of aircraft executing the prescribed Phelps Collins Airport public-use ADF instrument approach procedure. A short extension would be added to the existing basic 5-mile radius area for the protection of aircraft executing the prescribed Phelps Collins Airport military TACAN instrument approach procedures.

The establishment of a transition area at Alpena together with revocation of the existing Alpena control area extension would raise the floor of controlled airspace beyond the immediate vicinity of the Phelps Collins Airport from 700 to 1,200 feet above the surface. The portions of controlled airspace retained, together with the additional portions proposed for designation herein, would provide for the required air traffic control operational flexibility of military aircraft executing instrument flight rules procedures utilized at the Phelps Collins Airport during prescribed training periods.

The Phelps Collins Airport is utilized during summer months for the training of Air Force and Air National Guard Units. For the summer training periods the Air Force provides control tower service and a radar and TACAN capability at Phelps Collins Airport. The specific training exercises conducted vary with the types of aircraft assigned to the different operational units. Therefore, a high degree of air traffic control flexibility is necessary and sufficient controlled airspace must be provided to accommodate this flexibility.

There are no Federal airways in the Alpena terminal area. The changes to the minimum en route instrument altitudes for the off-airway routes utilized by North Central Airlines in the Alpena terminal area which would be adopted as a result of the actions proposed herein may be examined by contacting the Chief, Airspace Utilization Branch, Air Traffic Division, Central Region, Federal Aviation Agency, 4825 Troost Avenue, Kansas City, Mo., 64110.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attn: Chief, Air Traffic Division, Federal Aviation Agency, 4825 Troost Avenue, Kansas City, Mo., 64110. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington, D.C., 20553. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room A–103, 1711 New York Avenue NW., Washington, D.C., 20553. An informal docket will also be available for examination at the office of the Regional Air Traffic Division Chief.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on October 11, 1963.

H. B. HELSTROM,
Acting Chief,
Airspace Utilization Division.

[F.R. Doc. 63–11021; Filed, Oct 17, 1963; 8:45 a.m.]

[14 CFR Part 73 [New]]

[Airspace Docket No. 63–EA–58]

RESTRICTED AREA/MILITARY CLIMB CORRIDOR

Notice of Proposed Alteration

Notice is hereby given that the Federal Aviation Agency is considering an amendment to § 73.50 of the Federal Aviation regulations, the substance of which is stated below.

The Wrightstown, N.J. (McGuire AFB), Restricted Area/Military Climb Corridor R–5003 is presently described as follows:

Boundaries. The area centered on the 226° radial of the McGuire VOR, extending from 5 miles SW of the airbase (latitude 40°-00'55'' N., longitude. 74°35'25'' W.) to 32 miles SW of the airbase, having a width of 2 miles at the beginning and expanding uniformly to a width of 4.6 miles at the outer extremity.

Designated altitudes. 2,100 feet MSL to 15,100 feet MSL from 5 miles SW of the airbase to 6 miles SW of the airbase. 2,100 feet MSL to flight level 241 from 6 to 7 miles SW of the airbase. 2,100 feet MSL to flight level 270 from 7 to 10 miles SW of the airbase. 6,100 feet MSL to flight level 270 from 10 to 15 miles SW of the airbase. 10,100 feet MSL to flight level 270 from 15 to 20 miles SW of the airbase. 15,100 feet MSL to flight level 270 from 20 to 25 miles SW of the airbase. 19,100 feet MSL to flight level 270 from 25 to 32 miles SW of the airbase.

Time of designation. Continuous.

Using agency. McGuire AFB Approach Control.

The Air Force has proposed to alter R–5003 in accordance with revised airspace criteria enlarging such corridors as necessary to meet air defense aircraft requirements.

This proposal would enlarge the current climb corridor but would not affect existing airway structures in the vicinity of McGuire AFB. It would establish a floor of 1,500 feet MSL for the first step of the corridor to eliminate conflict with operations at nearby Pemberton Airport.

If this action is taken, the Wrightstown, N.J. (McGuire AFB), Restricted Area/Military Climb Corridor R–5003 would be redescribed as follows:

Boundaries. The area centered on McGuire Air Force Base TACAN 224° radial beginning at latitude 39°59'05'' N., longitude 74°38'00'' W. (2 nmi from the end of Runway 24), and extending to a point 30 nmi southwest, having a width of 1 nmi at the beginning and expanding uniformly to a width of 6 nmi at the outer extremity.

Designated altitudes. 1,500 feet MSL to 23,000 feet MSL from point of beginning to 3 nmi southwest. 2,000 feet MSL to 23,000 feet MSL from 3 nmi to 6 nmi southwest of point of beginning. 5,000 feet MSL to 23,000 feet MSL from 6 nmi to 11 nmi southwest of point of beginning. 10,000 feet MSL to 23,000 feet MSL from 11 nmi to 15 nmi southwest of point of beginning. 14,000 feet MSL to 23,000 feet MSL from 15 nmi to 19 nmi southwest of point of beginning. 16,000 feet MSL to 23,000 feet MSL from 19 nmi to 25 nmi southwest of point of beginning. 20,000 feet MSL to 23,000 feet MSL from 25 nmi to 30 nmi southwest of point of beginning.

Time of designation. Continuous.

Using agency. McGuire AFB Approach Control.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Federal Aviation Agency, Federal Building, New York International Airport, Jamaica, N.Y., 11430. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington, D.C., 20553. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room A–103, 1711 New York Avenue NW., Washington, D.C., 20553. On informal docket will also be available for examination at the office of the Regional Air Traffic Division Chief.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on October 11, 1963.

H. B. HELSTROM,
Acting Chief,
Airspace Utilization Division.

[F.R. Doc. 63–11022; Filed, Oct. 17, 1963; 8:45 a.m.]

Notices

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

RELIABLE SALE BARN, WINTERSET, IOWA, ET AL.

Deposting of Stockyards

It has been ascertained, and notice is hereby given, that the livestock markets named herein, originally posted on the respective dates specified below as being subject to the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), no longer come within the definition of a stockyard under said Act and are, therefore, no longer subject to the provisions of the Act.

Name and Location of Stockyard, and Date of Posting

Reliable Sale Barn, Winterset, Iowa, May 19, 1959.

Albert Lea Horse Market, Albert Lea, Minnesota, April 18, 1960.

Farmers Auction Market, Motley, Minnesota, April 22, 1960.

Empire Livestock Marketing Cooperative, Inc., Greene, New York, August 8, 1960.

Athens Livestock Sales Co., Inc., Athens, Ohio, July 7, 1959.

Notice or other public procedure has not preceded promulgation of the foregoing rule since it is found that the giving of such notice would prevent the due and timely administration of the Packers and Stockyards Act and would, therefore, be impracticable and contrary to the public interest. There is no legal warrant or justification for not deposting promptly a stockyard which is no longer within the definition of that term contained in the Act.

The foregoing is in the nature of a rule granting an exemption or relieving a restriction and, therefore, may be made effective in less than 30 days after publication in the FEDERAL REGISTER. This notice shall become effective upon publication in the FEDERAL REGISTER.

(42 Stat. 159, as amended and supplemented; 7 U.S.C. 181 et seq.)

Done at Washington, D.C., this 14th day of October 1963.

H. L. JONES,
Chief, Rates and Registrations Branch, Packers and Stockyards Division, Agricultural Marketing Service.

[F.R. Doc. 63-11031; Filed, Oct. 17, 1963; 8:46 a.m.]

TUSCALOOSA STOCK YARD, TUSCALOOSA, ALABAMA, ET AL.

Posted Stockyards

Pursuant to the authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), on the respective dates specified below it was ascertained that the livestock markets named below were stockyards within the definition of that term contained in section 302 of the Act, as amended (7 U.S.C. 202), and were, therefore, subject to the Act, and notice was given to the owners and to the public by posting notice at the stockyards as required by said section 302.

Name and Location of Stockyard, and Date of Posting

ALABAMA

Tuscaloosa Stock Yard, Tuscaloosa, August 12, 1963.

CALIFORNIA

B & B Livestock Auction Yard, Inc., Modesto, August 28, 1963.

DELAWARE

C. J. Carroll Auction Company, Dover, June 20, 1963.

INDIANA

Eastern Indiana Livestock Auction, Ridgeville, September 10, 1963.

MINNESOTA

Faribault Livestock Sales, Faribault, September 24, 1963.

NEW MEXICO

Belen Livestock Commission Co., Inc., Belen, September 12, 1963.

OREGON

Madras Livestock Auction, Inc., Madras, September 16, 1963.

SOUTH CAROLINA

Piedmont Saddle Horse and Pony Sales, Greer, September 18, 1963.

TEXAS

Bowie Livestock Commission Company, Bowie, August 14, 1963.

Breckenridge Livestock Exchange, Breckenridge, August 16, 1963.

Spur Livestock Commission Company, Spur, July 22, 1963.

Templer Livestock Auction, Inc., Belton, September 10, 1963.

Done at Washington, D.C., this 14th day of October 1963.

H. L. JONES,
Chief, Rates and Registrations Branch, Packers and Stockyards Division, Agricultural Marketing Service.

[F.R. Doc. 63-11032; Filed, Oct. 17, 1963; 8:46 a.m.]

DEPARTMENT OF THE TREASURY

Bureau of Customs

[AA 643.3-p]

COPPER SHEETS FROM YUGOSLAVIA

Notice That There Is Reason To Believe or Suspect Purchase Price Is Less or Likely To Be Less Than Foreign Market Value or Constructed Value

OCTOBER 14, 1963.

FEDERAL REGISTER notice dated August 30, 1963, is hereby corrected as follows: The words "copper sheets" should be amended wherever they appear to read "copper in sheets and strips whether or not in rolls or coils."

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

[F.R. Doc. 63-11045; Filed, Oct. 17, 1963; 8:47 a.m.]

[511.4]

INSTRUMENTS OF INTERNATIONAL TRAFFIC

Lobster Crates and Certain Large Boxes for Shipment and Reshipment of Fish

OCTOBER 14, 1963.

The following Bureau of Customs decision, dated October 14, 1963, concerning the duty-free treatment of certain lobster crates and certain large boxes is published below.

Under the authority conferred by § 10.41a(a), Customs Regulations, as amended by Treasury Decision 55981 of August 27, 1963, I hereby designate as "instruments of international traffic" within the meaning of section 322(a), Tariff Act of 1930, as amended, lobster crates, being containers which because of their unique and substantial construction are used in the shipment and reshipment of live lobsters; and fish boxes which because of their large size and substantial construction are used and reused in the transportation of fish. The lobster crates and fish boxes described may be released under the procedures provided for in § 10.41a. This decision will be published in the FEDERAL REGISTER and as T.D. 56021.

[SEAL] PHILIP NICHOLS, JR.,
Commissioner of Customs.

[F.R. Doc. 63-11046; Filed, Oct. 17, 1963; 8:47 a.m.]

Office of the Secretary

[Dept. Circ. 570, 1962 Rev. Supp. No. 41]

FOUNDERS' INSURANCE CO., LOS ANGELES, CALIFORNIA

Termination of Authority To Qualify as Surety on Federal Bonds

OCTOBER 11, 1963.

Notice is hereby given that the Certificate of Authority issued by the Secretary of the Treasury to Founders' Insurance Company, Los Angeles, California, under the provisions of the Act of Congress approved July 30, 1947 (6 U.S.C. 6-13), to qualify as sole surety on recognizances, stipulations, bonds and undertakings permitted or required by the laws of the United States has been terminated effective as of midnight December 31, 1962.

Pursuant to Agreement of Merger, effective midnight December 31, 1962, the Founders' Insurance Company, Los An-

geles, California, was merged into Security Insurance Company of New Haven, New Haven, Connecticut, the surviving company, and Security Insurance Company of New Haven acquired all of the assets and assumed all of the liabilities of Founders' Insurance Company.

The Security Insurance Company of New Haven, a Connecticut corporation, holds a Certificate of Authority from the Secretary of the Treasury as an acceptable surety on bonds in favor of the United States. The Treasury has obtained from Security Insurance Company of New Haven a separate indemnifying agreement dated September 5, 1963, whereby Security Insurance Company of New Haven has assumed the liability for any losses and claims that have arisen or may arise under or in connection with any bond, undertaking or other form of obligation entered into or assumed by Founders' Insurance Company on or before December 31, 1962, or in its name at any time thereafter, in which the United States has or may have an interest, direct or indirect. Copies of this agreement and the Agreement of Merger approved by the Commissioner of Insurance of the State of Connecticut, December 20, 1962, and the Commissioner of Insurance of the State of California, December 27, 1962, are on file in the Treasury Department, Bureau of Accounts, Surety Bonds Branch, Washington, D.C., 20226.

No action need be taken by bond-approving officers, by reason of the merger, with respect to any bond or other obligations in favor of the United States, or in which the United States has an interest, direct or indirect, issued on or before December 31, 1962, by Founders' Insurance Company pursuant to the Certificate of Authority issued to the company by the Secretary of the Treasury.

[SEAL] JOHN K. CARLOCK,
Fiscal Assistant Secretary.

[F.R. Doc. 63-11047; Filed Oct. 17, 1963; 8:48 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

OCTOBER 15, 1963.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 38597: *Common salt between points in southwestern and WTL territories.* Filed by Southwestern Freight Bureau, agent (No. B-8464), for interested rail carriers. Rates on salt, as described in the application, in carloads, from specified points in Kansas, Louisiana, New Mexico, Oklahoma and Texas, to points in southwestern, Illinois Freight Association, and western trunkline territories.

Grounds for relief: Market competition.

Tariffs: Supplements 40 and 58 to Southwestern Freight Bureau, agent, tariffs I.C.C. 4504 and 4506, respectively.

FSA No. 38598: *Liquid caustic soda from Memphis, Tenn., to Franklin, Va.* Filed by O. W. South, Jr., agent (No. A4383), for interested rail carriers. Rates on liquid caustic soda, in tank-car loads, from Memphis, Tenn., to Franklin, Va.

Grounds for relief: Market competition.

Tariff: Supplement 145 to Southern Freight Association, agent, tariff I.C.C. S-116.

FSA No. 38599: *Liquid caustic soda from Charleston, Tenn., to Louisville, Ky.* Filed by O. W. South, Jr., agent (No. A4384), for interested rail carriers. Rates on liquid caustic soda, in tank-car loads, from Charleston, Tenn., to Louisville, Ky.

Grounds for relief: Market competition.

Tariff: Supplement 145 to Southern Freight Association, agent, tariff I.C.C. S-116.

FSA No. 38600: *Iron and steel articles to Pascagoula, Miss.* Filed by Illinois Freight Association, agent (No. 215), for interested rail carriers. Rates on iron and steel articles, as described in the application, in carloads, from Sterling and Sterling (Rock Falls), Ill., to Pascagoula, Miss.

Grounds for relief: Market competition.

Tariff: Supplement 28 to Illinois Freight Association, agent, tariff I.C.C. 989.

By the Commission.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 63-11035; Filed, Oct. 17, 1963; 8:46 a.m.]

FEDERAL AVIATION AGENCY

[OE Docket No. 63-SO-11]

NEW HORIZONS TELECASTING CORP.

Determination of Hazard to Air Navigation

The Federal Aviation Agency has circularized the following proposal for aeronautical comment and has conducted a study (SO-OE-2286) to determine its effect upon the safe and efficient utilization of navigable airspace.

The New Horizons Telecasting Corporation, Jacksonville, Florida, proposes to construct a television antenna structure near Green Cove Springs, Florida, at latitude 29°55'18" N., longitude 81°40'-38" W. The overall height of the proposed structure would be 1,549 feet above mean sea level (1,491 feet above ground).

The proposed structure at this location and height would be more than 500 feet above the ground at the site and would exceed the standards for determining hazards to air navigation as defined in § 77.23(a)(1) of Part 77 of the Federal Aviation Regulations by 991.5 feet. It would be located approximately 2.5 miles north/northwest of the site of a similar proposal by the Brennan Broadcasting Company, Jacksonville, Florida, for a tower 1,799 feet MSL (1,769 feet AGL) which was considered in aeronautical study No. 2-OE-292. As a result of this study a determination of hazard (FAA OE Docket No. 63-SO-3) was issued in Washington, D.C., on February 13, 1963.

The aeronautical study disclosed that the proposed structure would require: an increase from 1,500 feet to 2,500 feet in the minimum obstruction clearance altitude for flight in the southeast sector of the NAS Jacksonville, Florida, TACAN facility within a radius of 25 nautical miles; an increase from 1,400 feet to 2,500 feet in the minimum obstruction clearance altitude for flight in the southeast sector of the NAS Cecil VOR facility within a radius of 25 nautical miles; an increase to 2,000 feet of the minimum safe obstruction clearance altitude for visual flight rule operations along the St. Johns River where such operation would be in proximity to the site of the proposed structure.

The study further disclosed that the structure would be located in close proximity to the 185 degree radial of the NAS Jacksonville TACAN. At that location it would underlie a planned holding pattern on the 185 degree radial at the 6 NM DME fix and would require an increase from 1,700 feet to 2,500 feet in the minimum holding altitude available at this fix. In addition, it would require an increase in the minimum crossing altitude from 1,600 feet to 2,500 feet at the 9 mile DME fix on the 185 radial of the Jacksonville TACAN for the Palatka 3 and Green Cove 3 standard instrument departure procedures. These procedures have recently been revised to simplify air traffic control and instrument flight procedures at NAS Jacksonville which were in conflict with NAS Cecil flight operations.

The proposed structure would be located approximately three miles west of the St. Johns River, approximately one-half mile east of restricted area R-2903A which is a part of a complex of restricted areas (R-2903A, R-2903B, R-2903C, R-2903D, R-2906, R-2907, and R-2910) and approximately 22 miles south of the United States Naval Air Station, Jacksonville, Florida. At this location the proposed structure would be on a line between the NAS Jacksonville and restricted areas used by the Department of the Navy for the training of naval aviators.

The location of the proposed structure approximately .5 mile east of the boundary of restricted R-2903A presumes that the boundary of the area would provide a shielding effect for the structure from aircraft operating either in the restricted area or along the St. Johns River. This concept does not consider the fact, however, that ingress and egress by naval aircraft to and from R-2903A is primarily by way of the St. Johns River and that civil aircraft having authorization from the controlling agency to penetrate R-2903A may also conduct flights in or through the area. In addition there is a heavy volume of low altitude VFR flight operations conducted along the river and in R-2903A.

The St. Johns River is a natural VFR route used by both navy and general aviation flights proceeding between Jacksonville, Florida, and points southeast along the coastline and for naval training flights between NAS Jacksonville and their assigned restricted area. It has been established by the Navy as a "VFR Return Route" for navy flights returning to NAS Jacksonville from the restricted areas.

The route is most frequently used when marginal weather conditions prevail in the area. The low Florida terrain of the coastal areas and the Florida peninsula favors low altitude flight operations. The Florida climate also favors low altitude operations because of periods of low stratus cloud conditions in all seasons and frequent periods of broken to overcast cumulus cloud conditions and numerous thunderstorm activity in the non-winter months.

The aeronautical study disclosed that approximately 2,940 civil VFR flights per year are conducted over, or in close proximity to the site of the proposed structure at altitudes of 2,000 feet or less.

Based upon the aeronautical study, it is the finding of the Agency that the proposed structure would require increases in minimum instrument flight altitudes which would seriously compromise the utility of the procedures affected, complicate air traffic control procedures, and result in delay to IFR flight operations at NAS Cecil and NAS Jacksonville; and in addition, it would be an unsafe obstruction to air navigation along a recognized VFR route.

Therefore, pursuant to the authority delegated to me by the Administrator (§ 77.37 [New]), it is found that the proposed structure would have a substantial adverse effect upon the safe and efficient utilization of navigable airspace; and it is hereby determined that the proposed structure would be a hazard to air navigation.

This determination is effective and will become final 30 days after date of issuance unless an appeal is filed under § 77.39 [New] (27 F.R. 10352). If the appeal is denied, the determination will then become final as of the date of the denial or 30 days after the issuance of the determination, whichever is later.

Issued in Washingto, D.C., on October 11, 1963.

GEORGE R. BORSARI,
Chief, Obstruction Evaluation Branch.

[F.R. Doc. 63-11019; Filed, Oct. 17, 1963; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 14779]

AMERICAN AIRLINES, INC.

Notice of Prehearing Conference

Group travel jet coach fares proposed by American Airlines, Inc. See Order E-20039.

Notice is hereby given that a prehearing conference on the above-entitled docket is assigned to be held on November 5, 1963, at 10 a.m., e.s.t. in Room 911, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Leslie G. Donahue.

Dated at Washington, D.C., October 15, 1963.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 63-11055; Filed, Oct. 17, 1963; 8:48 a.m.]

FEDERAL MARITIME COMMISSION

AMERICAN PRESIDENT LINES, LTD., AND UNITED STATES LINES COMPANY (AMERICAN PIONEER LINE)

Notice of Filing of Agreement

Notice is hereby given that the following described agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733; 75 Stat. 763; 46 U.S.C. 814):

Agreement No. 9251, by and between American President Lines, Ltd., and United States Lines Company (American Pioneer Line), provides for a through billing arrangement for general cargo transported in the trade from ports of call of the American President Lines, Ltd., in Okinawa, to Hawaiian ports of call of United States Lines Company with transshipment at Yokohama or Kobe, Japan, in accordance with the terms and conditions set forth in the agreement.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Foreign Regulation, Federal Maritime Commission, Washington 25, D.C., or may inspect a copy at the offices of the District Managers of the Commission in New York, N.Y., New Orleans, La., and San Francisco, Calif., and may submit to the Secretary, Federal Maritime Commission, Washington 25, D.C., within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with a request for hearing, should such hearing be desired.

Dated: October 15, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-11053; Filed, Oct. 17, 1963; 8:48 a.m.]

WATERMAN STEAMSHIP CORP., ARNOLD WEISSBERGER AND MARSHALL P. SAFIR

Notice of Filing of Agreement

Notice is hereby given that the following described agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733; 75 Stat. 763; 46 U.S.C. 814):

Agreement No. 9250, between Waterman Steamship Corporation, Arnold Weissberger and Marshall P. Safir establishes an arrangement whereby the parties thereto shall acquire or lease, and thereafter lease or sublease refrigerated containers to Liberty-Pac International Corp.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Foreign Regulation, Federal Maritime Commission, Washington 25, D.C., or may inspect a copy at the offices of the District Managers of the Commission in New York, N.Y., New Orleans, La., and San Francisco, Calif., and may submit to the Secretary, Federal Maritime Commission, Washington 25, D.C., within 20 days after publication of this notice in the FEDERAL REGISTER written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with a request for hearing, should such hearing be desired.

Dated: October 15, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-11054; Filed, Oct. 17, 1963; 8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket Nos. RI64-176—RI64-189]

GULF OIL CORP. ET AL.

Order Providing for Hearings on and Suspension of Proposed Changes in Rates [1]

OCTOBER 10, 1963.

Gulf Oil Corporation, Docket No. RI64-176; Sunray DX Oil Company, Docket No. RI64-177; Continental Oil Company, Docket No. RI64-178; The Atlantic Refining Company, Docket No. RI64-179; Bright & Schiff, Docket No. RI64-180; Caulkins Oil Company, Agent (Operator), et al., Docket No. RI64-181; The Bradley Producing Corporation, Docket No. RI64-182; Texaco Inc. (Operator), et al., Docket No. RI64-183; Crescent Oil and Gas Corporation, Docket No. RI64-184; The Atlantic Refining Company, (Operator), et al., Docket No. RI64-185; Austral Oil Company Incorporated (Operator), et al., Docket No. RI64-186; Austral Oil Company Incorporated (Operator), Agent for Oil Participations Incorporated, Docket No. RI64-187; Austral Oil Company Incorporated; Agent for Oil Participations Incorporated, Docket No. RI64-188; Forest Oil Corporation (Operator), et al., Docket No. RI64-189.

The above-named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are designated as follows:

[1] This order does not provide for the consolidation for hearing or disposition of the several matters covered herein, nor should it be so construed.

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in docket Nos.
RI64-176	Gulf Oil Corp., P.O. Drawer 2100, Houston 1, Tex.	192	8	Transwestern Pipeline Co. (Puckett-Ellenburger Field, Pecos County, Tex.) (R.R. District No. 8) (Permian Basin Area).	$540,800	9-12-63	[1] 10-13-63	3-13-64	[2] 11.0	[3 4 5] 13.0	
	Gulf Oil Corp.	193	11	Transwestern Pipeline Co. (Worsham and Waha Fields, Reeves County, Tex.) (R.R. District No. 8) (Permian Basin Area).	23,150	9-12-63	[1] 10-13-63	3-13-64	16.0	[3 4] 17.0	
	do	194	4	Transwestern Pipeline Co. (McKee Gas Field, Crane County, Tex.) (R.R. District No. 8) (Permian Basin Area).	6,930	9-12-63	[1] 10-13-63	3-13-64	16.0	[3 4] 17.0	
	do	197	10	Transwestern Pipeline Co. (Puckett-Devonian Field, Pecos County, Tex.) (R.R. District No. 8) (Permian Basin Area).	60,750	9-12-63	[1] 10-13-63	3-13-64	16.0	[3 4 6] 17.0	
RI64-177	Sunray DX Oil Co., Tulsa 2, Okla.	66	9	Northern Natural Gas Co. (Drinkard Field, Lea County, N, Mex.) (Permian Basin Area).	3,423	9-13-63	[1] 12-1-63	5-1-64	[7 8] 10.70199	[3 4 9] 11.72114	
RI64-178	Continental Oil Co., P.O. Box 2197, Houston, Tex., 77001.	196	2	Michigan Wisconsin Pipe Line Co. (Laverne Field, Harper and Woodward Counties, Okla.) (Panhandle Area).	6,575	9-16-63	[1] 11-12-63	4-12-64	17.0	[3 4 10] 19.5	
RI64-179	The Atlantic Refining Co., P.O. Box 2819, Dallas 21, Tex.	205	6	Kansas-Nebraska Natural Gas Co., Inc. (Guymon-Hugoton Field, Texas County, Okla.) (Panhandle Area).	251	9-19-63	[1] 11-1-63	4-1-64	17.2	[3 4 11] 17.4	RI63-88
	do	1	14	Texas Eastern Transmission Corp. (Willow Springs Field, Gregg County, Tex.), (R.R. District No. 6).	1,104	9-19-63	[1] 11-1-63	4-1-64	[12] 14.6	[3 4] 15.6	
	do	141	16	Texas Eastern Transmission Corp. (Silsbee Field, Hardin County, Tex.), (R.R. District No. 3).	29,637	9-19-63	[1] 11-1-63	4-1-64	[12] 14.6	[3 4] 15.6	
	do	142	26	Texas Eastern Transmission Corp. (Various Fields, Newton, Hardin, Orange and Jasper Counties, Tex.), (R.R. District No. 3).	25,059	9-19-63	[1] 11-1-63	4-1-64	[12] 14.6	[3 4] 15.6	
	do	166	12	United Fuel Gas Co. (Bourg Field, Terrebonne and La-Fourche Parishes, La.).	46	9-19-63	[1] 11-1-63	4-1-64	[14] 20.7	[3 13 14] 21.1	RI63-93
RI64-180	Bright & Schiff, 205 Mercantile Continental Building, Dallas, Tex.	6	5	Northern Natural Gas Co. (Perryton-Morrow Field, Ochiltree County, Tex.), (R.R. District No. 10).	402	9-19-63	[15] 10-20-63	3-20-64	[11] 15.5	[3 4 11] 16.5	
RI64-181	Caulkins Oil Co., Agent (Operator), et al., 1130 First National Bank Building, Denver 2, Colo.	9	14	Colorado Interstate Gas Co. (Mocane Field, Beaver County, Okla.), (Panhandle Area).	469	9-18-63	[15] 10-19-63	3-19-64	15.0	[4 16] 17.0	
RI64-182	The Bradley Producing Corp., 313 North Main Street, Wellsville, N.Y., 14895.	4	2	Michigan Wisconsin Pipe Line Co. (Laverne Field, Harper County, Okla.), (Panhandle Area).	2,420	9-23-63	[1] 12-15-63	5-15-64	[17] 17.93	[3 4 18] 20.43	
RI64-183	Texaco, Inc. (Operator), et al., P.O. Box 52332, Houston, Tex., 77052.	166	8	Kansas-Nebraska Natural Gas Co., Inc. (Camrick Southeast Field, Texas County, Okla), (Panhandle Area).	1,897	9-23-63	[1] 11-7-63	4-7-64	[11] 17.0	[3 4 11] 17.2	RI63-124
RI64-184	Crescent Oil and Gas Corp., P.O. Box 2460, Dallas, Tex., 75221.	7	3	Tennessee Gas Transmission Co. (Garwood Field, Colorado and Lavaca Counties, Tex.) (R.R. District Nos. 2 and 3).	6,200	[19] 9-18-63	[1] 1-1-64	6-1-64	[20] 14.5	[3 4] 15.5	
RI64-185	The Atlantic Refining Co. (Operator) et al.	181	11	Texas Eastern Transmission Corp. (Carthage Field, Rusk County, Tex.) (R.R. District No. 6).	635	9-19-63	[1] 11-1-63	4-1-64	15.4	[3 4] 15.6	RI63-135
	do	187	8	Texas Eastern Transmission Corp. (Willow Springs Field, Gregg County, Tex.) (R.R. District No. 6).	146	9-19-63	[1] 11-1-63	4-1-64	[21] 15.4	[3 4] 15.6	RI63-135
	do	63	16	United Fuel Gas Co. (Midland Estherwood Field, Acadia Parish, La.).	40,298	9-19-63	[1] 11-1-63	4-1-64	[14] 20.7	[3 13 14] 21.1	RI63-92
RI64-186	Austral Oil Co., Inc. (Operator), et al., 300 San Jacinto Building, Houston 2, Tex.	2	9	United Fuel Gas Co. (South Lake Arthur Field, Jefferson Davis, Cameron and Vermilion Parishes, La.).	2,483	9-20-63	[1] 11-1-63	4-1-64	[14] 20.7	[3 13 14] 21.1	RI63-146
RI64-187	Austral Oil Co., Inc. (Operator), Agent for Oil Participations Inc.	9	9	United Fuel Gas Co. (Thornwell Field, Jefferson Davis and Cameron Parishes, La.).	6,132	9-20-63	[1] 11-1-63	4-1-64	[14] 20.7	[3 13 14] 21.1	RI63-145
RI64-188	Austral Oil Co., Inc., Agent for Oil Participations Inc.	17	5	United Fuel Gas Co. (Florence Field, Vermilion Parish, La.).	102	9-20-63	[1] 11-1-63	4-1-64	[14] 20.7	[3 13 14] 21.1	RI63-154
RI64-189	Forest Oil Corp. (Operator) et al., National Bank of Commerce Building, San Antonio 5, Tex.	3	9	United Fuel Gas Co. (Ellis Field, Acadia Parish, La.).	14,160	9-18-63	[1] 11-1-63	4-1-64	[14] 20.7	[3 13 14] 21.1	RI63-136

[1] The stated effective date is the effective date requested by Respondent.
[2] Initial service rate conditioned from 12 cents per Mcf by Opinion No. 328.
[3] Periodic rate increase.
[4] Pressure base is 14.65 psia.
[5] Subject to upward or downward adjustment when inert content of gas, by volume, is above 30 percent or below 27.6 percent.
[6] Subject to downward adjustment when gas delivered contains less than 1,000 Btu's per cubic foot.
[7] Includes 0.20199 cent per Mcf tax reimbursement.
[8] 10.97596 cents at 15.025 psia.
[9] Includes 0.22124 cent per Mcf tax reimbursement.
[10] Subject to an upward Btu adjustment.
[11] Subject to downward Btu adjustment.
[12] Rate is the result of settlement offer approved by the Commission's order issued 8-15-62, in Docket No. G-13496, et al.
[13] Pressure base is 15.025 psia.
[14] Includes 1.5 cents per Mcf tax reimbursement.
[15] The stated effective date is the first day after expiration of the required statutory notice.
[16] Renogotiated rate increase.
[17] Includes base rate of 17.0 cents per Mcf plus upward Btu adjustment.
[18] Includes base rate of 19.0 cents per Mcf plus upward Btu adjustment.
[19] Notice of Change filed prematurely (prior to 90 days before requested effective date) per Section 154.94 of the Commission's Regulations under the Natural Gas Act.
[20] Initial rate.
[21] Rate subject to 0.5 cent per Mcf line rental fee.

Bright & Schiff request a retroactive effective date of January 17, 1962, for their proposed rate increase, and Caulkins Oil Company, Agent (Operator), et al., request a retroactive effective date of June 1, 1962. Good cause has not been shown for granting earlier effective dates for the aforementioned producers' rate filings and such requests are denied.

Crescent Oil and Gas Corporation (Crescent) requests an effective date of January 1, 1964, for its proposed periodic rate increase. Good cause exists for waiving the provisions of § 154.94 of the Commission's regulations under the Natural Gas Act to permit Crescent's premature rate filing.

Gulf Oil Corporation and its buyer, Transwestern Pipeline Company, are affiliates.

All of the proposed increased rates and charges exceed the applicable area price levels for increased rates as set forth in the Commission's Statement of General Policy No. 61–1, as amended (18 CFR, Chapter I, Part 2, § 2.56).

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the proposed changes, and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR, Chapter I), public hearings shall be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in the above-designated supplements.

(B) Pending hearings and decisions thereon, the above-designated rate supplements are hereby suspended and the use thereof deferred until the date indicated in the above "Date Suspended Until" column, and thereafter until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before November 25, 1963.

By the Commission. Commissioners O'Connor and Woodward not participating in the suspension of Supplements Nos. 14, 16, and 26 to The Atlantic Refining Company's Rate Schedules Nos. 1, 141, and 142, respectively, in Docket No. RI64–179.

[SEAL] GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 63–10970; Filed, Oct. 17, 1963; 8:45 a.m.]

[Docket No. CP63–188 (Phase I)[1], Docket] No. CP64–42]

CITIES SERVICE GAS CO.

Notice of Applications and Date of Hearing

OCTOBER 11, 1963.

Take notice that on December 31, 1962, as amended and supplemented on January 7, 1963, January 28, 1963, February 12, 1963, July 3, 1963, and July 15, 1963, Cities Service Gas Company (Applicant), P.O. Box 1995, Oklahoma City, Oklahoma, filed in Docket No. CP63–188 (Phase I) an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain facilities on Applicant's transmission system in Kansas, Oklahoma and Missouri and for permission and approval to abandon certain transmission facilities to be replaced and reclaimed, all as more fully set forth in the application, as amended and supplemented, on file with the Commission and open to public inspection.

Specifically, in Phase I, Applicant proposes the following:

KANSAS-HUGOTON FIELD

(1) Install 4,000 additional horsepower at the Ulysses Compressor Station, Grant County, Kansas.

(2) Loop approximately 7 miles of the Hugoton Station 30-inch intake pipeline with 26-inch pipeline Grant County, Kansas; and,

Add 340 horsepower at the United Compressor Station, Grant County, Kansas, by turbocharging the 1,100 horsepower unit presently installed at said station.

HUTCHINSON-SUPERIOR SYSTEM

(3) Loop approximately 4 miles of the present Lyons-Ellsworth segment of the Superior 8-inch pipeline with 12-inch pipeline, Rice County, Kansas.

(4) Loop approximately 4 miles of the present Ellsworth-Beloit segment of the Superior 8-inch pipeline with 12-inch pipeline, Lincoln County, Kansas.

(5) Replace approximately 3 miles of the existing Minneapolis 3-inch lateral with 6-inch pipeline, Ottawa County, Kansas.

(6) Replace approximately 3 miles of the existing Osborne 4-inch lateral with 6-inch pipeline, Mitchell County, Kansas.

(7) Replace approximately 5.38 miles of the existing Smith Center 4-inch lateral with 6-inch pipeline, Jewell County, Kansas.

OTTAWA-TOPEKA-TONGANOXIE SYSTEM

(8) Replace approximately 5.75 miles of the existing Lawrence-Tonganoxie 18-inch and 20-inch pipeline and a 10-inch multiple river crossing under the Kansas River, with approximately 7.26 miles of 26-inch pipeline, all in Douglas County, Kansas. Applicant will reclaim the 5.75 miles of line and the multiple river crossing.

(9) Construct and operate approximately 4.5 miles of 3-inch pipeline and a town border meter and appurtenant regulator equipment to serve the town of Perry, Jefferson County, Kansas.

Reclaim 2.06 miles of 2-inch pipeline beginning at the LeCompton, Kansas, town border and extending across a highway bridge over the Kansas River and thence to the present Perry, Kansas, town border meter.

VINITA LATERAL

(10) Replace approximately 3.77 miles of the existing Vinita 6-inch pipeline with approximately 3.8 miles of 8-inch pipeline, Craig County, Oklahoma.

MONETT LATERAL

(11) Replace 3.5 miles of the existing Monett, Missouri, 3-inch and 4-inch lateral with 6-inch lateral, Lawrence County, Missouri.

Applicant states that the proposed Phase I facilities are necessary to either, (1) meet the estimated peak day demands of its existing customers, (2) replace, with larger facilities, pipelines which have become physically deteriorated to the extent that replacement is required, or (3) offset declining wellhead working pressures in the Kansas-Hugoton Field.

The application shows the total estimated cost of the proposed facilities in Phase I to be $2,848,800 which cost will be financed from treasury cash. Said cost reflects the cost of removal and salvage credit for facilities to be abandoned.

Take further notice that on August 15, 1963, Applicant filed in Docket No. CP64–42 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain facilities and the sale and delivery of natural gas to The Gas Service Company (Gas Service) for resale and distribution in and about the communities of Clever, Purdy and Cassville, Missouri, and Leon, Kansas, the Villages of Butterfield and Wood Heights, Missouri, and to domestic consumers and customers of Gas Service residing adjacent to the 4-inch Leon pipeline, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant proposes the following:

(a) To construct and operate meter and regulator facilities on, and tap its Springfield, Monett and Augusta laterals, and to sell natural gas to Gas Service for resale in Clever, Purdy, Cassville, Butterfield and Leon and for resale to customers along Gas Service's Leon lateral.

(b) To sell natural gas to Gas Service by means of existing facilities for resale in and about Wood Heights; and,

(c) To replace approximately 1.8 miles of its Old Soldiers 6-inch lateral with 8-inch pipe and to replace approximately 0.88 mile of its Girard 4-inch line with 6-inch line. Applicant states that these facilities are required because the existing ones are unserviceable due to corrosion and leakage.

The application shows the total estimated third year peak day and annual natural gas requirements for all the communities proposed to be served to be 2,021 Mcf and 189,269 Mcf, respectively.

---

[1] The application in Docket No. CP63–188 is divided in to two Phases. This notice and the abridged hearing hereby set pertain exclusively to Phase I of said application.

The total estimated cost of all the proposed facilities is $56,700, which cost will be financed by treasury cash. Said estimated cost includes a net loss of $2,800 on salvage of the lines to be replaced.

The application indicates that Gas Service has received the appropriate authorizations from the communities to be served and from The Missouri Public Service Commission and the Kansas Corporation Commission.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 7, 1963, at 9:30 a.m. e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by the application in Docket No. CP64–42 and Phase I of the application, as amended and supplemented, in Docket No. CP63–188: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 1, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 63–11048; Filed, Oct. 17, 1963; 8:48 a.m.]

[Docket No. CP64–61]

EL PASO NATURAL GAS CO.

Notice of Application and Date of Hearing

OCTOBER 11, 1963.

Take notice that on September 16, 1963, El Paso Natural Gas Company (Applicant), P.O. Box 1492, El Paso, Texas, 79999, filed in Docket No. CP64–61 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction during the calendar year 1964 and the operation of field facilities to enable Applicant to take into its certificated main pipeline system natural gas which will be purchased from producers thereof, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The purpose of this "budget-type" application is to augment Applicant's ability to act with reasonable dispatch in contracting for and connecting to its existing pipeline system new supplies of natural gas in various producing areas generally co-extensive with said system.

The total cost of the proposed facilities will not exceed a maximum of $5,000,000 and no single project will exceed a cost of $500,000.

This matter should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 19, 1963, at 9:30 a.m. e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 8, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 63–11049; Filed, Oct. 17, 1963; 8:48 a.m.]

[Docket No. CP63–269]

GAS BOARD OF THE TOWN OF DORA, ALABAMA

Notice of Application

OCTOBER 11, 1963.

Take notice that on April 3, 1963, as supplemented on September 4, 1963, The Gas Board of the Town of Dora, Alabama (Applicant) filed in Docket No. CP63–269 an application pursuant to section 7(a) of the Natural Gas Act for an order directing Southern Natural Gas Company (Southern Natural) to establish physical connection of its transportation facilities with the facilities proposed to be constructed by Applicant and to sell and deliver to Applicant 938 Mcf per day or 128,445 annually at rates provided under Southern Natural's G–2 Gas Rate Schedule for sale and distribution in the Town of Dora, all as more fully described in the application on file herein and open to public inspection.

Applicant states that it proposes to construct and operate a 3-mile 4½ inch pipeline together with appurtenant measuring facilities and distribution lines at an estimated cost of $410,000 to serve the people of the community.

The cost of the facilities to be constructed is to be financed by the sale of bonds.

Protests, petitions to intervene or requests for hearing may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 1, 1963.

GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 63–11050; Filed, Oct. 17, 1963; 8:48 a.m.]

[Docket No. CP64–72]

LONE STAR GAS CO.

Notice of Application and Date of Hearing

OCTOBER 11, 1963.

Take notice that on September 23, 1963, Lone Star Gas Company (Applicant), 301 South Harwood Street, Dallas 1, Texas, filed in Docket No. CP64–72 an application pursuant to section 7(c) of the Natural Gas Act for certificate of public convenience and necessity authorizing the construction during the calendar year 1964 and the operation of various lateral pipelines and related facilities to enable Applicant to take into its certificated main pipeline system natural gas which it will purchase from producers in the general area of its existing transmission system, at a total cost not to exceed $1,700,000, with the total cost of any single project limited to $425,000, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The purpose of this "budget-type" application is to augment Applicant's ability to act with reasonable dispatch in contracting for and connecting to its existing pipeline system new supplies of gas in producing areas generally co-extensive with said system.

This matter should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 19, 1963, at 9:30 a.m. e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commis-

sion, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 8, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 63-11051; Filed, Oct. 17, 1963; 8:48 a.m.]

[Docket No. RI64-190]

ROGER MILLIKEN ET AL.

Order Providing for Hearing on and Suspension of Proposed Change in Rate

OCTOBER 11, 1963.

On September 13, 1963, Roger Milliken, et al. (Milliken) [1] tendered for filing a proposed change in their presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser and producing area: Texas Eastern Transmission Corporation (South Karon Field, Live Oak County, Texas) (R.R. District No. 2).
Rate schedule designation: Supplement No. 8 to Milliken's FPC Gas Rate Schedule No. 4.
Effective date: October 14, 1963.[2]
Amount of annual increase: $775.
Effective rate: 13.8733 cents per Mcf.[3,4]
Proposed rate: 14.3733 cents per Mcf.[3]
Pressure base: 14.65 psia.

Milliken requests a retroactive effective date of February 5, 1963, for his proposed periodic rate increase. Good cause has not been shown for the granting of an earlier effective date for Milliken's proposed increased rate and such request is denied.

Milliken's presently effective rate of 13.8733 cents per Mcf is the result of an offer of settlement accepted by the Commission by letter dated March 2, 1960. The proposed increased rate of 14.3733 cents per Mcf, which was contractually due on February 5, 1963, is equivalent to 14.8733 cents per Mcf when the standard contractual differential of 0.5 cents per Mcf for dehydration and central point delivery is taken into consideration and exceeds the area ceiling of 14.6 cents per Mcf for increased rates in Texas Railroad District No. 2 as set forth in the Commission's Statement of General Policy No. 61-1, as amended (18 CFR, Chapter I, Part 2, § 2.56).

[1] Address is: c/o Coloma Oil and Gas Corp., Wilson Building, Corpus Christi, Texas.

[2] The stated effective date is the first day after expiration of the required thirty days' notice.

[3] Rate is applicable to nondehydrated gas sold at the wellhead.

[4] Rate is the result of a settlement offer approved by the Commission in a letter dated Mar. 2, 1960.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the proposed change, and that Supplement No. 8 to Milliken's FPC Gas Rate Schedule No. 4 be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders: (A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR, Chapter I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 8 to Milliken's FPC Gas Rate Schedule No. 4.

(B) Pending such hearing and decision thereon, Supplement No. 8 to Milliken's FPC Gas Rate Schedule No. 4 is hereby suspended and the use thereof deferred until March 14, 1964, and thereafter until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37 (f)) on or before November 27, 1963.

By the Commission. Commissioners O'Connor and Woodward not participating.

[SEAL] GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 63-11052; Filed, Oct. 17, 1963; 8:48 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

SHELL CHEMICAL CO.

Notice of Filing of Petition Regarding Food Additive

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348 (b)(5)), notice is given that a petition (FAP 907) has been filed by Shell Chemical Company, a division of Shell Oil Company, 50 West 50th Street, New York 20, New York, proposing the issuance of a regulation to provide for the safe use of 4-hydroxymethyl-2,6-ditert-butylphenol as an antioxidant in food (at a level not exceeding 0.02 percent of the fat content of such food) and as an antioxidant in food packages at a level whereby the migration to the packaged food does not exceed 50 parts per million of the fat content of the food.

Dated: October 14, 1963.

J. K. KIRK,
Assistant Commissioner of Food and Drugs.

[F.R. Doc. 63-11042; Filed, Oct. 17, 1963; 8:47 a.m.]

HOUSING AND HOME FINANCE AGENCY

Public Housing Administration

DESCRIPTION OF AGENCY AND PROGRAMS

Effective October 14, 1963, section I is amended to read as follows:

I. *Description of agency and programs.*

A. *Creation and purposes.* The Public Housing Administration, a constituent agency of the Housing and Home Finance Agency, has the direct responsibility under the United States Housing Act of 1937 (42 U.S.C. 1401 et seq.) for administering the low-rent public housing program. Historically, this Act created the United States Housing Authority to administer the low-rent public housing program established by the Act, and a change of name from United States Housing Authority to Federal Public Housing Authority occurred in 1942. Under the provisions of the President's Reorganization Plan No. 3 of 1947, effective July 27, 1947, the name Federal Public Housing Authority was changed to Public Housing Administration, and the Public Housing Administration became the corporate successor to the United States Housing Authority as a constituent agency of the Housing and Home Finance Agency.

B. *Low-rent public housing program.* The United States Housing Act of 1937, as amended (42 U.S.C. 1401 et seq.), establishes the low-rent public housing program pursuant to a declaration of policy to employ Federal funds to assist the several States in remedying "the unsafe and insanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of low income * * *" Also included in this program are certain projects (a few of which are federally owned) constructed under authority other than the United States Housing Act of 1937, but transferred to the low-rent public housing program: Projects developed by the Public Works Administration before passage of the Act and transferred under authority of the Act (42 U.S.C. 1404(d)), and farm labor camps and permanent war housing projects transferred under the terms of the Housing Act of 1950 (42 U.S.C. 1412(f) and 1586, respectively).

C. *Central office organization.* 1. The PHA is headed by a Public Housing Commissioner appointed by the President, by and with the advice and consent of the Senate. The Commissioner's principal staff members are enumerated below.

2. The Deputy Commissioner is the Commissioner's principal adviser and assistant and serves as Acting Commissioner in the absence of the Commissioner. In his immediate office the Deputy Commissioner has a small staff which is responsible for controlling PHA action in connection with audit findings of concern to PHA and other matters relating to the prevention and correction of improper practices.

3. The General Counsel is the PHA's principal attorney and is responsible for all legal activities of the PHA. The Legal Division, which he heads, consists of the following branches:

a. Operations and Financing
b. Opinions, Legislation, and Administration

4. The Assistant Commissioner for Administration is responsible for matters relating to adminstrative management, including organization planning, budget and personnel administration, accounting and fiscal management, the procurement and management of administrative property, and general office services. The Administration Division, which he heads, consists of the following branches:

a. Administrative Planning.
b. Budget.
c. Fiscal.
d. Office Services.
e. Personnel.

5. The Assistant Commissioner for Development is responsible for matters relating to the planning, design, and construction of public housing, including development research, methods, and standards. The Development Division, which he heads, consists of the following branches:

a. Design Services.
b. Planning and Production.

6. The Assistant Commissioner for Management is responsible for matters relating to the operation of public housing, including a program for conducting comprehensive audits of local housing authorities. The Management Division, which he heads, consists of the following Branches:

a. General Management.
b. Fiscal Management.
c. Fiscal Auditing.
d. Maintenance Engineering.

7. The Assistant Commissioner for Program Planning is responsible for matters relating to the economic aspects of public housing, including low-income housing needs, income limits, 20 percent gap determinations, relocation feasibility; administrative and operational statistics; and activities relating to civil defense and disaster relief. The Statistics Branch is located in the Program Planning Division.

8. In addition, there are four independent Branch Directors who are responsible for public relations, intergroup relations, labor relations, and internal audit.

D. *Central office address.* The Central Office of the PHA is located in the Longfellow Building, 1741 Rhode Island Avenue NW., Washington, D.C. Mail should be addressed as follows: Public Housing Administration, Washington, D.C., 20413.

E. *Regional office organization.* The Commissioner, in administering the program of the PHA, has established a decentralized organization, vesting primary responsibility in the Regional Offices (wherever possible) for carrying out the programs. Each Regional Office is headed by a Regional Director who is responsible for the work of the Regional Office and of the PHA field establishments within his area of jurisdiction. The principal staff officials of a typical Regional Office are an Assistant Director for Development, an Assistant Director for Management, an Assistant Director for Programs, an Attorney, an Intergroup Relations Officer, a Labor Relations Officer, and a Chief of Office Services. In the absence of the Regional Director (including a vacancy), one of the following shall serve as Acting Regional Director in the Regional Office indicated, but shall so serve only in the absence of all the officials listed above him:

Atlanta Regional Office:
1. Ernest J. Moyle, Assistant Director for Management.
2. Erman R. Williams, Assistant Director for Development.

Chicago Regional Office:
1. Albert F. Muench, Regional Attorney.
2. Theodore A. Veenstra, Assistant Director for Programs.

Fort Worth Regional Office:
1. George A. Parker, Regional Attorney.
2. F. W. Digby-Roberts, Assistant Director for Development.

New York Regional Office:
1. Joseph J. Kohler, Assistant Director for Management.
2. Horton H. Nielson, Regional Attorney.

Philadelphia Regional Office:
1. Archie P. Burgess, Assistant Director for Development.
2. Alexander Shaw, Regional Attorney.
3. Harry Glanz, Assistant Director for Management.

Puerto Rico Regional Office:
1. Alberto Hernandez, Assistant Director for Development.
2. Kenneth R. Moul, Assistant Director for Management.

San Francisco Regional Office:
1. Arthur L. Chladek, Assistant Director for Management.
2. James E. Prisin-Zano, Regional Attorney.

F. *Regional office jurisdictions and addresses.* The geographical jurisdictions and addresses of the Regional Offices are shown below:

1. *Atlanta Regional Office.* Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee. Public Housing Administration, Room 737, Peachtree Building, Atlanta, Georgia, 30323.

2. *Chicago Regional Office.* Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. Public Housing Administration, Room 2201, 185 North Wabash Avenue, Chicago, Illinois, 60601.

3. *Fort Worth Regional Office.* Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas. Public Housing Administration, Room 2072, 300 West Vickery Boulevard, Fort Worth, Texas, 76104.

4. *New York Regional Office.* Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. Public Housing Administration, 346 Broadway, New York, New York, 10013.

5. *Philadelphia Regional Office.* Delaware, Maryland, Pennsylvania, Virginia, West Virginia, and the District of Columbia. Public Housing Administration, Room 1102, Widener Building, Chestnut and Juniper Streets, Philadelphia, Pennsylvania, 19107.

6. *Puerto Rico Regional Office.* Puerto Rico and the Virgin Islands. Public Housing Administration, Garraton Building, 1608 Ponce de Leon Avenue, Stop 23, Santurce, Puerto Rico (Mailing address: P.O. Box 9197, Santurce, Puerto Rico, 00908).

7. *San Francisco Regional Office.* Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming. Public Housing Administration, 1360 Mission Street, San Francisco, California, 94103.

G. *Other field establishments.* Project and rental offices under the direct supervision of the Regional Offices are located at Indianapolis, Indiana; Enid, Oklahoma; and Oklahoma City, Oklahoma. Requests for information concerning them should be addressed to the appropriate Regional Office.

Approved: October 14, 1963.

[SEAL] MARIE C. McGUIRE,
Commissioner.

[F.R. Doc. 63-11041; Filed, Oct. 17, 1963; 8:47 a.m.]

CUMULATIVE CODIFICATION GUIDE—OCTOBER

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during October.

1 CFR

Page

CFR Checklist 10511

3 CFR

PROCLAMATIONS:

Feb. 25, 1893 10885
June 3, 1905 10887
3178 10853
3548 10853
3556 10509
3557 10811
3558 10853
3559 10941

EXECUTIVE ORDERS:

Feb. 26, 1852 10973
Dec. 27, 1859 10973
Mar. 9, 1914 11070
Sept. 30, 1916 11069
Apr. 17, 1926 10909
10152 10631
10168 10631
10204 10631
10847 11171
11120 10631
11121 10855
11122 11171

PRESIDENTIAL DOCUMENTS OTHER THAN PROCLAMATIONS AND EXECUTIVE ORDERS:

Memorandum, Oct. 10, 1963 .. 10943

5 CFR

2 11033
6 ..... 10511, 10512, 10735, 10957, 11131
25 ..... 10847, 10947
27 10947
30 10947
34 11033
213 ..... 10511, 10512, 10735, 10857, 11131
337 11033
530 10947
531 10947
534 10952
539 10953
550 ..... 10954, 10993
610 10960
630 10961
930 11033
1202 10633

7 CFR

7 10813
14 ..... 10858, 11011
28 10633
354 10564
401 ..... 10736, 10867, 11033
718 10899
722 ..... 11011, 11012, 11034, 11041
724 11049
728 10565
874 11049
905 ..... 10737–10739, 11132
908 ..... 10740, 10965
909 10965
910 ..... 10512, 10740, 10769, 10966, 11013
929 ..... 10634, 11052
984 10813
987 10568
989 ..... 10569, 11052
1040 10512
1044 11053
1067 10740
1126 10635
1421 ..... 10512, 10636, 10966
1443 ..... 11054, 11058

7 CFR—Continued

Page

PROPOSED RULES:

26 ..... 10753, 10924
53 11197
81 ..... 11017, 11197
362 11197
909 11136
970 10975
982 ..... 10822, 11018
1004 ..... 10646, 11073
1010 ..... 10646, 11073
1071 11196
1097 ..... 10660, 11019, 11136
1102 ..... 10660, 11019
1108 ..... 10660, 11019
1126 10521
1130 11138
1193 10675

9 CFR

PROPOSED RULES:

71 10823
78 10524

12 CFR

1 10741
545 10512

13 CFR

107 10868
108 10967

14 CFR

6 10994
10 10868
42 11058
71 [New] ..... 10513, 10563, 10564, 10703, 10741, 10742, 10813, 10814, 10899, 10900, 10999, 11059, 11185.
73 [New] 10703, 10742
95 [New] 11185
97 [New] 10704, 11000
159 [New] 11189
507 ..... 10564, 10637, 10638, 10868, 10967, 11010

PROPOSED RULES:

18 10786
43 [New] 10786
44 10792
47 [New] 10793
49 [New] 10793
71 [New] ..... 10540–10544, 10546–10550, 10581, 10679–10681, 10717, 10752, 10924, 10925, 10978, 11019, 11073, 11140, 11197, 11198.
73 [New] 10680, 10681, 10752, 11073, 11074, 11199
75 [New] 10581, 11019
91 [New] 11075
129 [New] 10792
187 [New] 10793
241 10793
288 10977
399 10977
501 10793
502 10793
503 10793
504 10793
505 10793
507 ..... 10719, 10753, 10978, 10979
514 10823
627 10550

15 CFR

Page

373 11014
375 10569
380 10569

16 CFR

13 ..... 10570, 10571, 10743–10747, 10769–10771, 10814, 10815, 10967–10971, 11059, 11060, 11189–11191.
400 10900

PROPOSED RULES:

320 10925

17 CFR

PROPOSED RULES:

270 10753

18 CFR

35 10572

PROPOSED RULES:

101 10550
104 10550
153 11075
157 11075
201 10550
204 10550

19 CFR

1 11132

PROPOSED RULES:

1 11140

20 CFR

404 10971

21 CFR

1 ..... 10638, 10993
8 ..... 10749, 10816
19 10816
20 11191
27 10900
120 10869
121 ..... 10577, 10706, 10749, 10816, 10869, 10871, 10908, 11192.
130 10972
146b 10750

PROPOSED RULES:

17 10717
25 10976
45 10977
121 10976

24 CFR

809 10513
810 10513

25 CFR

PROPOSED RULES:

131 10676

26 CFR

1 ..... 10514, 10515, 11109 11173, 11177
20 10871
25 10871

PROPOSED RULES:

1 ..... 10520, 10882
20 10882
25 10882
46 10821

28 CFR

2 10750

29 CFR

522 11061
1307 10517

31 CFR

Page

315 11132
316 11133
332 11133

32 CFR

46 11062
66 11063
269 10817
836 11133
862 11133
888 ..... 10873, 11133
1001 11063
1002 11065
1003 11066
1006 11067
1007 11067
1009 11068
1013 11068
1016 11068
1030 11069
1053 11069

32A CFR

PROPOSED RULES:
OIA (Ch. X):
OI Reg. 1 10677

33 CFR

90 11015
95 11015
124 10818
135 10577

36 CFR

6 10909
PROPOSED RULES:
7 10677

38 CFR

13 10750

39 CFR

5 10518
61 10518

41 CFR

1–1 10706
2–2 10706
2–7 10706

41 CFR—Continued

Page

2–17 10709
8–6 10819
9–1 10709
9–16 10711
39–1 10879
PROPOSED RULES:
50–204 10524

43 CFR

192 11192
PROPOSED RULES:
192 ..... 10883, 11017
200 ..... 10883, 11017
PUBLIC LAND ORDERS:
1102 10910
1227 10887
1564 10887
2712 10887
2931 10887
3141 11071
3142 10820
3180 10820
3187 10820
3237 10519
3238 10639
3239 10820
3240 10909
3241 10910
3242 10910
3243 10910
3244 10973
3245 11069
3246 11070
3247 11070
3248 11070
3249 11071
3250 11071

46 CFR

2 11014
30 10773
38 10773
40 10778
94 10578
166 10579
222 10703
223 10703

46 CFR—Continued

Page

226 10703
231 10703
236 10703
310 10880
511 10973
522 10703
526 10703
531 10703
PROPOSED RULES:
531 10825

47 CFR

0 10579
1 ..... 10579, 10911
2 10915
3 10915
7 10921
8 10921
9 10921
10 10921
11 10921
12 10921
14 10921
16 10921
19 10921
64 10580
PROPOSED RULES:
4 10825
16 10582

49 CFR

1 ..... 10518, 11016
123 10711
206 10711
PROPOSED RULES:
123 10682
206 10682
301 10682

50 CFR

12 10782
32 ..... 10639, 10640, 10643, 10644, 10783, 10784, 10880, 10881, 10973, 11134, 11135, 11192.
266 11193