

**FOR FURTHER INFORMATION CONTACT:**

Thomas J. McKay, Center for Veterinary Medicine (HFV-102), Food and Drug Administration, 7500 Standish Pl., Rockville, MD 20855, 301-827-0213.

**SUPPLEMENTARY INFORMATION:**

Whitmoyer Laboratories, Inc., 19 North Railroad St., Myerstown, PA 17067, has informed FDA that it has transferred the ownership of, and all rights and interests in, approved NADA's 10-285 (Carbarson), 39-646 (Carbarson + Bacitracin Methylene Disalicylate) and 38-879 (Carbarson + Zoalene) to A. L. Pharma, Inc., One Executive Dr., Fort Lee, NJ 07024. Accordingly, the agency is amending 21 CFR 510.600(c)(1) and (c)(2) to remove the sponsor name Whitmoyer Laboratories, Inc., because the firm no longer is the holder of any approved NADA's. The agency is also amending 21 CFR 558.55, 558.95, and 558.120 to reflect the transfer of ownership.

## List of Subjects

*21 CFR Part 510*

Administrative practice and procedure, Animal drugs, Labeling, Reporting and recordkeeping requirements.

*21 CFR Part 558*

Animal drugs, Animal feeds.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, 21 CFR parts 510 and 558 are amended as follows:

**PART 510—NEW ANIMAL DRUGS**

1. The authority citation for 21 CFR part 510 continues to read as follows:

Authority: Secs. 201, 301, 501, 502, 503, 512, 701, 721 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 331, 351, 352, 353, 360b, 371, 379e).

**§ 510.600 [Amended]**

2. Section 510.600 *Names, addresses, and drug labeler codes of sponsors of approved applications* is amended in the table in paragraph (c)(1) by removing the entry for "Whitmoyer Laboratories," and in the table in paragraph (c)(2) by removing the entry for "011794".

**PART 558—NEW ANIMAL DRUGS FOR USE IN ANIMAL FEEDS**

3. The authority citation for 21 CFR part 558 continues to read as follows:

Authority: Secs. 512, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b, 371).

**§ 558.55 [Amended]**

4. Section 558.55 *Amprolium* is amended in the table in paragraph (d)(2), under the entry (iv), appearing under the heading "Limitations" at the "Carbarson 227 to 340.5" entry, by removing "011794" and adding in its place "046573".

**§ 558.95 [Amended]**

5. Section 558.95 *Bambermycins* is amended in paragraph (b)(3)(iv)(b) by removing "011794" and adding in its place "046573".

**§ 558.120 [Amended]**

6. Section 558.120 *Carbarson (not U.S.P.)* is amended in paragraphs (a)(1) and (a)(2) by removing "011794" and adding in its place "046573".

Dated: December 22, 1995.

Robert C. Livingston,  
Director, Office of New Animal Drug Evaluation, Center for Veterinary Medicine.  
[FR Doc. 96-230 Filed 1-5-96; 8:45 am]

BILLING CODE 4160-01-F

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Parts 1, 20, 23, 24, 25, 27, 33, 38, 301, and 602**

[TD 8655]

**Removal of Final and Temporary Regulations**

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

**ACTION:** Removal of final and temporary regulations.

**SUMMARY:** This document removes final and temporary regulations as part of the President's Regulatory Reinvention Initiative.

**EFFECTIVE DATE:** January 8, 1996.

**FOR FURTHER INFORMATION CONTACT:** Philip Bennet, (202) 622-3926.

**SUPPLEMENTARY INFORMATION:**

## Background

As part of the President's Regulatory Reinvention Initiative, the Treasury Department and the IRS identified obsolete regulations that relate to prior law, provide elections for prior years, or are otherwise outdated due to changes in the underlying statutory provisions.

## List of Subjects

*26 CFR Part 1*

Income taxes, Reporting and recordkeeping requirements.

*26 CFR Parts 20, 23, and 24*

Estate taxes, Reporting and recordkeeping requirements.

*26 CFR Part 25*

Gift taxes, Reporting and recordkeeping requirements.

*26 CFR Part 27*

Estate taxes, Gift taxes, Reporting and recordkeeping requirements.

*26 CFR Parts 33 and 38*

Employment taxes, Reporting and recordkeeping requirements.

*26 CFR Part 301*

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

*26 CFR Part 602*

Reporting and recordkeeping requirements.

## Amendments to the Regulations

Accordingly, under the authority of 26 U.S.C. 7805, 26 CFR parts 1, 20, 23, 24, 25, 27, 33, 38, 301, and 602 are amended as follows:

**PART 1—INCOME TAXES**

Paragraph 1. Part 1 is amended as follows:

1. The authority citation for part 1 is amended by removing the entry for § 1.1303-1.

**§ 1.32-1 [Removed]**

2. Section 1.32-1 is removed.

**§ 1.103-12 [Removed]**

3. Section 1.103-12 is removed.

**§ 1.110-1 [Removed]**

4. Section 1.110-1 is removed.

**§ 1.114-1 [Removed]**

5. Section 1.114-1 is removed.

**§ 1.115-1 [Removed]**

6. Section 1.115-1 is removed.

**§ 1.116-1 [Removed]**

7. Section 1.116-1 is removed.

**§ 1.116-2 [Removed]**

8. Section 1.116-2 is removed.

**§ 1.367(a)-7T [Removed]**

9-10. Section 1.367(a)-7T is removed.  
11. The undesignated center heading preceding § 1.383-1A is removed.

**§ 1.383-1A [Removed]**

12. Section 1.383-1A is removed.

**§ 1.383-2A [Removed]**

13. Section 1.383-2A is removed.

**§ 1.383-3A [Removed]**

14-15. Section 1.383-3A is removed.

- § 1.804-1 [Removed]**  
16. Section 1.804-1 is removed.
- § 1.804-2 [Removed]**  
17-18. Section 1.804-2 is removed.
- § 1.805-1 [Removed]**  
19. Section 1.805-1 is removed.
- § 1.805-2 [Removed]**  
20. Section 1.805-2 is removed.
- § 1.805-3 [Removed]**  
21. Section 1.805-3 is removed.
- § 1.805-4 [Removed]**  
22. Section 1.805-4 is removed.
- § 1.805-5 [Removed]**  
23. Section 1.805-5 is removed.
- § 1.805-6 [Removed]**  
24. Section 1.805-6 is removed.
- § 1.805-7 [Removed]**  
25-26. Section 1.805-7 is removed.
- § 1.805-8 [Removed]**  
27. Section 1.805-8 is removed.
- § 1.820-1 [Removed]**  
28. Section 1.820-1 is removed.
- § 1.820-2 [Removed]**  
29. Section 1.820-2 is removed.
- § 1.820-3 [Removed]**  
30. Section 1.820-3 is removed.
- § 1.824-1 [Removed]**  
31. Section 1.824-1 is removed.
- § 1.824-2 [Removed]**  
32. Section 1.824-2 is removed.
- § 1.824-3 [Removed]**  
33. Section 1.824-3 is removed.  
34. Section 1.907-0 is amended as follows:  
a. The introductory text is revised to read as follows:
- § 1.907-0 Outline of regulation provisions for section 907.**  
This section lists the paragraphs contained in §§ 1.907(a)-0 through 1.907(f)-1.  
\* \* \* \* \*  
b. The undesignated center heading preceding the entry for § 1.907(a)-0 is removed and the entry for § 1.907(e)-1 is removed.  
c. The undesignated center heading preceding the entry for § 1.907(a)-0A is removed.
- § 1.907(a)-0A [Removed]**  
d. The entry for § 1.907(a)-0A is removed.
- § 1.907(a)-1A [Removed]**  
e. The entry for § 1.907(a)-1A is removed.
- § 1.907(b)-1A [Removed]**  
f. The entry for § 1.907(b)-1A is removed.
- § 1.907(b)-2A [Removed]**  
g. The entry for § 1.907(b)-2A is removed.
- § 1.907(c)-1A [Removed]**  
h. The entry for § 1.907(c)-1A is removed.
- § 1.907(c)-2A [Removed]**  
i. The entry for § 1.907(c)-2A is removed.
- § 1.907(c)-3A [Removed]**  
j. The entry for § 1.907(c)-3A is removed.
- § 1.907(d)-1A [Removed]**  
k. The entry for § 1.907(d)-1A is removed.
- § 1.907(e)-1A [Removed]**  
l. The entry for § 1.907(e)-1A is removed.
- § 1.907(f)-1A [Removed]**  
m. The entry for § 1.907(f)-1A is removed.
- § 1.907(e)-1 [Removed]**  
35. Section 1.907(e)-1 is removed.  
36. The undesignated center heading preceding § 1.907(a)-0A is removed.
- § 1.907(a)-0A [Removed]**  
37. Section 1.907(a)-0A is removed.
- § 1.907(a)-1A [Removed]**  
38. Section 1.907(a)-1A is removed.
- § 1.907(b)-1A [Removed]**  
39. Section 1.907(b)-1A is removed.
- § 1.907(b)-2A [Removed]**  
40. Section 1.907(b)-2A is removed.
- § 1.907(c)-1A [Removed]**  
41. Section 1.907(c)-1A is removed.
- § 1.907(c)-2A [Removed]**  
42. Section 1.907(c)-2A is removed.
- § 1.907(c)-3A [Removed]**  
43. Section 1.907(c)-3A is removed.
- § 1.907(d)-1A [Removed]**  
44. Section 1.907(d)-1A is removed.
- § 1.907(e)-1A [Removed]**  
45. Section 1.907(e)-1A is removed.
- § 1.907(f)-1A [Removed]**  
46. Section 1.907(f)-1A is removed.
- § 1.995-7 [Removed]**  
47. Section 1.995-7 is removed.  
49. The undesignated center heading "INCOME AVERAGING" preceding § 1.1301-0 is removed.
- § 1.1301-0 [Removed]**  
50. Section 1.1301-0 is removed.
- § 1.1301-1 [Removed]**  
51. Section 1.1301-1 is removed.
- § 1.1302-1 [Removed]**  
52. Section 1.1302-1 is removed.
- § 1.1302-2 [Removed]**  
53. Section 1.1302-2 is removed.
- § 1.1302-3 [Removed]**  
54. Section 1.1302-3 is removed.
- § 1.1303-1 [Removed]**  
55-56. Section 1.1303-1 is removed.
- § 1.1304-1 [Removed]**  
57. Section 1.1304-1 is removed.
- § 1.1304-2 [Removed]**  
58. Section 1.1304-2 is removed.
- § 1.1304-3 [Removed]**  
59. Section 1.1304-3 is removed.
- § 1.1304-4 [Removed]**  
60. Section 1.1304-4 is removed.
- § 1.1304-5 [Removed]**  
61. Section 1.1304-5 is removed.
- § 1.1304-6 [Removed]**  
62. Section 1.1304-6 is removed.
- PART 20—ESTATE TAX; ESTATES OF DECEDENTS DYING AFTER AUGUST 16, 1954**
- § 20.2035-1 [Removed]**  
Par. 2. Section 20.2035-1 is removed.
- PART 23—[REMOVED]**  
Par. 3. Part 23 is removed.
- PART 24—[REMOVED]**  
Par. 4. Part 24 is removed.
- PART 25—GIFT TAX; GIFTS MADE AFTER DECEMBER 31, 1954**
- § 25.2517-1 [Removed]**  
Par. 5. Section 25.2517-1 is removed.
- PART 27—[REMOVED]**  
Par. 6. Part 27 is removed.
- PART 33—[REMOVED]**  
Par. 7. Part 33 is removed.
- PART 38—[REMOVED]**  
Par. 8. Part 38 is removed.
- PART 301—PROCEDURE AND ADMINISTRATION**  
Par. 9. Part 301 is amended as follows:
- § 301.6676-1 [Removed]**  
1. Section 301.6676-1 is removed.

**§ 301.7424-1 [Removed]**

2. Section 301.7424-1 is removed.

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

Par. 10. In § 602.101, paragraph (c) is amended by removing the following entries from the table:

**§ 602.101 OMB Control numbers.**

CFR part or section where identified and described	Current OMB control No.
* * * *	
(c) * * *	
1.820-2 .....	1545-0128
1.824-1 .....	1545-1027
1.824-3 .....	1545-1027
1.1304-1 .....	1545-0074
1.1304-3 .....	1545-0074
1.1304-5 .....	1545-0074
20.2035-1 .....	1545-0015
27.642-1 .....	1545-0020
38.6302-1 .....	1545-0257

Margaret Milner Richardson,  
Commissioner of Internal Revenue.

Approved: December 18, 1995.

Leslie Samuels,

Assistant Secretary of the Treasury.

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BILLING CODE 4830-01-U

**26 CFR Parts 1 and 602**

[TD 8653]

RIN 1545-AS75

**Hedging Transactions by Members of a Consolidated Group**

**AGENCY:** Internal Revenue Service, Treasury.

**ACTION:** Final regulations.

**SUMMARY:** This document contains final regulations relating to the character and timing of gain or loss from certain hedging transactions entered into by members of a consolidated group. These regulations apply when one member of the group hedges its own risk, hedges the risk of another member, or enters into a risk-shifting transaction with

another member. The regulations are needed to provide appropriate rules for these transactions. The regulations provide guidance for corporations that are members of consolidated groups.

**DATES:** These regulations are effective February 7, 1996.

For dates of applicability of these regulations, see § 1.446-4(e)(9)(iv) and § 1.1221-2(g) (4), (5), and (6).

**FOR FURTHER INFORMATION CONTACT:** Jo Lynn Ricks of the Office of the Assistant Chief Counsel (Financial Institutions and Products), telephone (202) 622-3920 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Paperwork Reduction Act**

The collections of information contained in these final regulations have been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1480. Some responses to these collections of information are mandatory, and others are required to obtain the benefit of the separate-entity election or of applying single-entity treatment in taxable years prior to the general effective date of the regulations.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

The estimated annual burden per respondent or recordkeeper varies from 1.0 to 40.0 hours, depending on individual circumstances, with an estimated average of 5 hours.

Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be sent to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, T:FP, Washington, DC 20224, and to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503.

Books or records relating to this collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

**Background**

On July 18, 1994, the IRS published in the Federal Register (59 FR 36394) a notice of proposed rulemaking (FI-34-94) relating to the character and timing of gain or loss from certain risk-shifting

transactions entered into by members of a consolidated group. Comments were received on the proposed regulations, and a public hearing was held on October 18, 1994. Most commentators believe that the proposed regulations provide a sensible and flexible set of rules to deal with hedging operations by the members of a consolidated group of corporations.

The most significant comment on the regulations relates to their effective date. Almost all of the commentators requested a transition rule permitting consolidated groups to elect to apply the proposed character rules retroactively. The final regulations adopt this suggestion, generally allowing consolidated groups to elect to apply the single-entity approach of the proposed regulations to all open years. Section 1.1221-2, concerning the character of hedging transactions, was made retroactive for all open years to permit the IRS to resolve fairly and consistently controversies involving transactions that were entered into prior to the publication date of those regulations. It is appropriate that these regulations, as an integral part of § 1.1221-2, also apply retroactively. To prevent any adverse consequences, however, retroactivity is elective.

The proposed regulations, with new effective date provisions, are adopted as final regulations. The new provisions, and several comments that were not adopted, are discussed below.

**Explanation of Provisions**

*Character Regulations*

The final regulations retain the single-entity approach of the proposed regulations. That is, they treat the risk of one member of the group as the risk of the other members, as if all the members were divisions of a single corporation. Thus, a member of a consolidated group that hedges the risk of another member by entering into a transaction with a third party may receive ordinary gain or loss treatment on that transaction if the transaction otherwise qualifies as a hedging transaction.

Under this single-entity approach, intercompany transactions are neither hedging transactions nor hedged items. Because they are treated as transactions between divisions of a single corporation, intercompany transactions do not reduce the risk of that single corporation and, therefore, fail to qualify as hedging transactions.

Some commentators requested that the IRS extend the single-entity approach to apply the hedging rules to a taxpayer's transactions that hedge the