

**The Proposed Amendment**

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

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

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

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

**§ 71.1 [Amended]**

■ 2. The incorporation by reference in 14 CFR 71.1 of FAA Order JO 7400.11H, Airspace Designations and Reporting Points, dated August 11, 2023, and effective September 15, 2023, is amended as follows:

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

\* \* \* \* \*

**ASO GA E5 Thomaston, GA [Amended]**

Thomaston-Upson County Airport, GA  
(Lat. 32°57'18" N, long. 84°15'51" W)

That airspace extending upward from 700 feet above the surface within an 8.1-mile radius of the Thomaston-Upson County Airport and 3.7 miles on each side of the 118° bearing from the airport, extending from the 8.1-mile radius to 9.8 miles southeast of the airport.

\* \* \* \* \*

Issued in College Park, Georgia, on May 1, 2024.

**Andree C. Davis,**

*Manager, Airspace & Procedures Team South, Eastern Service Center, Air Traffic Organization.*

[FR Doc. 2024–09868 Filed 5–14–24; 8:45 am]

**BILLING CODE 4910–13–P**

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 71**

[Docket No. FAA–2024–1157; Airspace  
Docket No. 24–AEA–2]

**RIN 2120–AA66**

**Establishment and Amendment of Multiple United States Area Navigation (RNAV) Routes; Eastern United States**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This action proposes to establish United States Area Navigation (RNAV) Route T–553 and amend RNAV Routes T–356, T–358, and T–479 in the eastern United States. This action supports FAA Next Generation Air Transportation System (NextGen) efforts to provide a modern RNAV route structure to improve the safety and efficiency of the National Airspace System (NAS).

**DATES:** Comments must be received on or before July 1, 2024.

**ADDRESSES:** Send comments identified by FAA Docket No. FAA–2024–1157 and Airspace Docket No. 24–AEA–2 using any of the following methods:

\* *Federal eRulemaking Portal:* Go to [www.regulations.gov](http://www.regulations.gov) and follow the online instructions for sending your comments electronically.

\* *Mail:* Send comments to Docket Operations, M–30; U.S. Department of Transportation, 1200 New Jersey Avenue SE, Room W12–140, West Building Ground Floor, Washington, DC 20590–0001.

\* *Hand Delivery or Courier:* Take comments to Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

\* *Fax:* Fax comments to Docket Operations at (202) 493–2251.

*Docket:* Background documents or comments received may be read at [www.regulations.gov](http://www.regulations.gov) at any time. Follow the online instructions for accessing the docket or go to the Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FAA Order JO 7400.11H, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at [www.faa.gov/air\\_traffic/publications/](http://www.faa.gov/air_traffic/publications/). You may also contact the Rules and Regulations Group, Office of Policy, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone: (202) 267–8783.

**FOR FURTHER INFORMATION CONTACT:** Brian Vidis, Rules and Regulations Group, Office of Policy, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone: (202) 267–8783.

**SUPPLEMENTARY INFORMATION:****Authority for This Rulemaking**

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code.

Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of the airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it would modify the NAS as necessary to preserve the safe and efficient flow of air traffic.

**Comments Invited**

The FAA invites interested persons to participate in this rulemaking by submitting written comments, data, or views. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. To ensure the docket does not contain duplicate comments, commenters should submit only one time if comments are filed electronically, or commenters should send only one copy of written comments if comments are filed in writing.

The FAA will file in the docket all comments it receives, as well as a report summarizing each substantive public contact with FAA personnel concerning this proposed rulemaking. Before acting on this proposal, the FAA will consider all comments it receives on or before the closing date for comments. The FAA will consider comments filed after the comment period has closed if it is possible to do so without incurring expense or delay. The FAA may change this proposal in light of the comments it receives.

*Privacy:* In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov), as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at [www.dot.gov/privacy](http://www.dot.gov/privacy).

**Availability of Rulemaking Documents**

An electronic copy of this document may be downloaded through the internet at [www.regulations.gov](http://www.regulations.gov). Recently published rulemaking documents can also be accessed through

the FAA’s web page at [www.faa.gov/air-traffic/publications/airspace\\_amendments/](http://www.faa.gov/air-traffic/publications/airspace_amendments/).

You may review the public docket containing the proposal, any comments received and any final disposition in person in the Dockets Operations office (see **ADDRESSES** section for address, phone number, and hours of operations). An informal docket may also be examined during normal business hours at the office of the Eastern Service Center, Federal Aviation Administration, Room 210, 1701 Columbia Avenue, College Park, GA 30337.

**Incorporation by Reference**

United States Area Navigation routes are published in paragraph 6011 of FAA Order JO 7400.11, Airspace Designations and Reporting Points, which is incorporated by reference in 14 CFR 71.1 on an annual basis. This document proposes to amend the current version of that order, FAA Order JO 7400.11H, dated August 11, 2023, and effective September 15, 2023. These updates would be published in the next update to FAA Order JO 7400.11. That order is publicly available as listed in the **ADDRESSES** section of this document.

FAA Order JO 7400.11H lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

**The Proposal**

The FAA is proposing an amendment to 14 CFR part 71 to establish RNAV Route T-553 and amend RNAV Routes T-356, T-358, and T-479 in the eastern United States. This action supports continued FAA NextGen efforts to provide a modern RNAV route structure that improves the efficiency of the NAS. The proposed RNAV route changes are described below.

**T-356:** T-356 currently extends between the TWIRK, MD, waypoint (WP), and the WIGGZ, PA, WP. The FAA proposes to extend T-356 to the south between the Greensboro, NC (GSO), Very High Frequency Omnidirectional Range/Tactical Air Navigation (VORTAC) and the TWIRK WP. The route would overlay VOR Federal Airway V-143 between the Greensboro VORTAC and the Martinsburg, WV (MRB), VORTAC. The proposed route extension would

provide RNAV connectivity between the Greensboro, NC area and the Washington, DC area. As amended, the route would be changed to extend between the Greensboro VORTAC and the WIGGZ WP.

**T-358:** T-358 currently extends between the Martinsburg, WV (MRB), VORTAC and the Augusta, ME (AUG), VOR/Distance Measuring Equipment (VOR/DME). The FAA proposes to extend T-358 to the south between the Greensboro, NC (GSO), VORTAC and the Martinsburg VORTAC. The route would overlay VOR Federal Airway V-143 between the Greensboro VORTAC and the Martinsburg VORTAC. The proposed route extension would provide additional RNAV connectivity between the Greensboro, NC area and the Washington, DC area. As amended, the route would be changed to extend between the Greensboro VORTAC and the Augusta VOR/DME.

**T-479:** T-479 currently extends between the DNVIL, VA, WP and the Elkins, WV (EKN), VORTAC. The FAA proposes to remove the airway segment between the DBRAH, VA, WP and the Elkins VORTAC. RNAV navigation connectivity between the DBRAH WP and the Elkins VORTAC will be retained as portion of the proposed new RNAV Route T-553 in this docket.

Additionally, the FAA proposes to extend T-479 to the west between the DBRAH WP and the JARLO, WV, WP. The proposed route extension would overlay VOR Federal Airway V-258 between the Roanoke, VA (ROA), VOR/DME and the Charleston, WV (HVQ), VOR/DME. As amended, the route would be changed to extend between the DNVIL WP and the JARLO WP.

**T-553:** T-553 is a new RNAV route proposed to extend between the Greensboro, NC (GSO), VORTAC and the Elkins, WV (EKN), VORTAC. The proposed route would overlay VOR Federal Airway V-103 between the Greensboro VORTAC and the Elkins VORTAC and provide RNAV connectivity between the Greensboro, NC area and the Elkins, WV area.

**Regulatory Notices and Analyses**

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and

routine amendments are necessary to keep them operationally current. It, therefore: (1) is not a “significant regulatory action” under Executive Order 12866; (2) is not a “significant rule” under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

**Environmental Review**

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

**List of Subjects in 14 CFR Part 71**

Airspace, Incorporation by reference, Navigation (air).

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■ 1. The authority citation for 14 CFR part 71 continues to read as follows:

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

**§ 71.1 [Amended]**

■ 2. The incorporation by reference in 14 CFR 71.1 of FAA Order JO 7400.11H, Airspace Designations and Reporting Points, dated August 11, 2023, and effective September 15, 2023, is amended as follows:

*Paragraph 6011 United States Area Navigation Routes.*

\* \* \* \* \*

**T-356 Greensboro, NC (GSO) to WIGGZ, PA [Amended]**

Greensboro, NC (GSO)	VORTAC	(Lat. 36°02'44.50" N, long. 079°58'34.94" W)
HURTT, VA	FIX	(Lat. 37°05'57.34" N, long. 079°19'58.97" W)
AIROW, VA	WP	(Lat. 37°14'48.69" N, long. 079°13'47.48" W)
ELLON, VA	FIX	(Lat. 37°30'06.59" N, long. 079°11'13.79" W)
Montebello, VA (MOL)	VOR/DME	(Lat. 37°54'01.89" N, long. 079°06'24.80" W)
CEROL, VA	FIX	(Lat. 38°18'59.12" N, long. 078°47'38.77" W)
KERRE, VA	FIX	(Lat. 38°38'30.98" N, long. 078°31'56.58" W)

CPTAL, MD	WP	(Lat. 39°32'16.02" N, long. 077°41'55.65" W)
TWIRK, MD	WP	(Lat. 39°34'36.70" N, long. 077°12'44.75" W)
BRILA, MD	WP	(Lat. 39°23'53.04" N, long. 077°08'31.89" W)
WOOLY, MD	FIX	(Lat. 39°20'19.18" N, long. 077°02'11.17" W)
DROSA, MD	WP	(Lat. 39°18'30.32" N, long. 076°58'06.22" W)
OBWON, MD	WP	(Lat. 39°11'54.69" N, long. 076°32'04.84" W)
SWANN, MD	FIX	(Lat. 39°09'05.28" N, long. 076°13'43.94" W)
ODESA, MD	FIX	(Lat. 39°29'29.00" N, long. 075°49'44.37" W)
APEER, MD	WP	(Lat. 39°37'32.94" N, long. 075°50'25.39" W)
REESY, PA	WP	(Lat. 39°45'27.94" N, long. 075°52'07.09" W)
FOLEZ, PA	WP	(Lat. 39°55'32.76" N, long. 075°49'16.49" W)
PIKKE, PA	WP	(Lat. 40°05'27.21" N, long. 075°52'12.11" W)
BOYER, PA	FIX	(Lat. 40°16'36.84" N, long. 076°05'09.38" W)
Ravine, PA (RAV)	VORTAC	(Lat. 40°33'12.21" N, long. 076°35'57.77" W)
Selinsgrove, PA (SEG)	VOR/DME	(Lat. 40°47'27.09" N, long. 076°53'02.55" W)
WIGGZ, PA	WP	(Lat. 41°30'51.00" N, long. 077°58'52.00" W)

\* \* \* \* \*

**T-358 Greensboro, NC (GSO) to Augusta, ME [Amended]**

Greensboro, NC (GSO)	VORTAC	(Lat. 36°02'44.50" N, long. 079°58'34.94" W)
DUNCE, VA	FIX	(Lat. 36°50'52.00" N, long. 079°29'18.20" W)
HURTT, VA	FIX	(Lat. 37°05'57.34" N, long. 079°19'58.97" W)
AIROW, VA	WP	(Lat. 37°14'48.69" N, long. 079°13'47.48" W)
ELLON, VA	FIX	(Lat. 37°30'06.59" N, long. 079°11'13.79" W)
CLYFF, VA	FIX	(Lat. 37°40'09.45" N, long. 079°09'12.76" W)
Montebello, VA (MOL)	VOR/DME	(Lat. 37°54'01.89" N, long. 079°06'24.80" W)
CEROL, VA	FIX	(Lat. 38°18'59.12" N, long. 078°47'38.77" W)
LURAY, VA	FIX	(Lat. 38°35'54.94" N, long. 078°34'00.23" W)
KERRE, VA	FIX	(Lat. 38°38'30.98" N, long. 078°31'56.58" W)
Martinsburg, WV (MRB)	VORTAC	(Lat. 39°23'08.06" N, long. 077°50'54.08" W)
CPTAL, MD	WP	(Lat. 39°32'16.02" N, long. 077°41'55.65" W)
TWIRK, MD	WP	(Lat. 39°34'36.70" N, long. 077°12'44.75" W)
HAMRR, MD	WP	(Lat. 39°30'03.42" N, long. 076°56'10.84" W)
DANIL, MD	WP	(Lat. 39°17'46.42" N, long. 076°42'19.36" W)
OBWON, MD	WP	(Lat. 39°11'54.69" N, long. 076°32'04.84" W)
SWANN, MD	FIX	(Lat. 39°09'05.28" N, long. 076°13'43.94" W)
Smyrna, DE (ENO)	VORTAC	(Lat. 39°13'53.93" N, long. 075°30'57.49" W)
AVALO, NJ	FIX	(Lat. 39°16'54.52" N, long. 074°30'50.75" W)
MANTA, NJ	FIX	(Lat. 39°54'07.01" N, long. 073°32'31.63" W)
BEADS, NY	FIX	(Lat. 40°44'04.51" N, long. 072°32'34.21" W)
ORCHA, NY	WP	(Lat. 40°54'55.46" N, long. 072°18'43.64" W)
JORDN, NY	FIX	(Lat. 41°03'16.92" N, long. 071°54'52.66" W)
Sandy Point, RI (SEY)	VOR/DME	(Lat. 41°10'02.77" N, long. 071°34'33.91" W)
BURDY, MA	FIX	(Lat. 41°57'19.14" N, long. 070°57'07.45" W)
HAVNS, OA	WP	(Lat. 42°17'55.00" N, long. 070°27'42.00" W)
GRGIO, MA	WP	(Lat. 42°35'09.36" N, long. 070°33'54.40" W)
LBSTA, MA	FIX	(Lat. 42°48'00.00" N, long. 070°36'48.70" W)
MESHL, ME	FIX	(Lat. 43°19'12.07" N, long. 070°09'48.03" W)
Augusta, ME (AUG)	VOR/DME	(Lat. 44°19'12.07" N, long. 069°47'47.63" W)

\* \* \* \* \*

**T-479 DNVIL, VA to JARLO, WV [Amended]**

DNVIL, VA	WP	(Lat. 36°33'49.53" N, long. 079°19'53.54" W)
PIGGS, VA	FIX	(Lat. 36°56'01.81" N, long. 079°42'40.61" W)
DBRAH, VA	WP	(Lat. 37°20'34.14" N, long. 080°04'10.75" W)
ZOOMS, WV	FIX	(Lat. 37°28'32.22" N, long. 080°35'06.70" W)
SITTR, WV	WP	(Lat. 37°46'49.13" N, long. 081°07'23.70" W)
JARLO, WV	WP	(Lat. 38°20'58.85" N, long. 081°46'11.68" W)

\* \* \* \* \*

**T-553 Greensboro, NC (GSO) to Elkins, WV (EKN) [New]**

Greensboro, NC (GSO)	VORTAC	(Lat. 36°02'44.50" N, long. 079°58'34.94" W)
DBRAH, VA	WP	(Lat. 37°20'34.14" N, long. 080°04'10.75" W)
Elkins, WV (EKN)	VORTAC	(Lat. 38°54'51.97" N, long. 080°05'57.38" W)

\* \* \* \* \*

Issued in Washington, DC, on April 29, 2024.

**Frank Lias,**

*Manager, Rules and Regulations Group.*

[FR Doc. 2024-09562 Filed 5-14-24; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-133850-13]

RIN 1545-BN93

#### Interest Capitalization Requirements for Improvements to Designated Property

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

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document contains proposed regulations that would remove the associated property rule and similar rules from the existing regulations on the interest capitalization requirements for improvements to designated property. In addition, this document contains proposed regulations that would modify the definition of “improvement” for purposes of applying those existing regulations. Lastly, this document contains proposed regulations that would modify other rules in those existing regulations in light of the proposed removal of the associated property rule. The proposed regulations would affect taxpayers making improvements to real or tangible personal property that constitute the production of designated property.

**DATES:** Written or electronic comments and requests for a public hearing must be received by July 15, 2024.

**ADDRESSES:** Commenters are strongly encouraged to submit public comments electronically via the Federal eRulemaking Portal at <https://www.regulations.gov> (indicate IRS and REG-133850-13) by following the online instructions for submitting comments. Requests for a public hearing must be submitted as prescribed in the “Comments and Requests for a Public Hearing” section. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury (Treasury Department) and the IRS will publish for public availability any comments submitted to the IRS’s public docket. Send paper submissions to: CC:PA:01:PR (REG-133850-13), Room

5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

**FOR FURTHER INFORMATION CONTACT:**

Concerning the proposed regulations, Livia Piccolo of the Office of Associate Chief Counsel (Income Tax and Accounting), at (202) 317-7007; concerning submissions of comments or a public hearing, Vivian Hayes, (202) 317-6901 (not toll-free numbers) or by email at [publichearings@irs.gov](mailto:publichearings@irs.gov) (preferred).

**SUPPLEMENTARY INFORMATION:**

**Background**

This document proposes amendments to § 1.263A-11(e)(1)(ii) and (iii) of the Income Tax Regulations (26 CFR part 1) to remove the “associated property rule” and similar rules from the interest capitalization requirements for improvements that constitute the production of property under section 263A(f) of the Internal Revenue Code (Code). In addition, this document proposes amendments to § 1.263A-11(f) to clarify that § 1.263A-11(f) applies only to property purchased and further produced before it is placed in service. Finally, this document proposes to amend § 1.263A-8(d)(3) to update the definition of “improvement” so that it is consistent with the definition of “improvement”, including the exceptions, safe harbors, and elections provided under § 1.263(a)-3.

Sections 263A(a) and (b) of the Code generally require the capitalization of direct and indirect costs of real or tangible personal property produced by the taxpayer. Under section 263A(g)(1) and § 1.263A-8(d)(3), the term “produce” includes “improve.”

Section 263A(f) contains rules for capitalizing interest with respect to certain property produced by the taxpayer and for determining the amount of interest required to be capitalized. In general, section 263A(f)(1) limits capitalization to interest that is paid or incurred during the production period and that is allocable to real property or certain tangible personal property produced by the taxpayer, referred to as “designated property” in the section 263A regulations. See § 1.263A-8(b)(1). Under section 263A(f)(2)(A), in determining the amount of interest required to be capitalized to any property, (i) interest on any indebtedness directly attributable to production expenditures with respect to the property is assigned to the property, and (ii) interest on any other indebtedness is assigned to the property to the extent that the taxpayer’s interest cost could have been reduced if

production expenditures not attributable to indebtedness described in clause (i) had not been incurred (avoided cost method).

Section 1.263A-8(a) provides that taxpayers must use the avoided cost method described in § 1.263A-9 in determining the amount of interest required to be capitalized with respect to the production of designated property. Section 1.263A-9(a)(1) explains that, under the avoided cost method, any interest that the taxpayer theoretically would have avoided if accumulated production expenditures (as defined in § 1.263A-11) (APEs) had been used to repay or reduce the taxpayer’s outstanding debt must be capitalized. Under § 1.263A-11(a), APEs generally mean the cumulative amount of direct and indirect costs described in section 263A(a) that are required to be capitalized with respect to a unit of property.

Section 1.263A-9(c) provides that, to the extent a taxpayer’s APEs exceed traced debt (that is, debt that is allocated to APEs with respect to the unit of property), the general formula for determining the amount of interest that must be capitalized is the average excess expenditures multiplied by the weighted average interest rate on the debt during the time the production occurs. A larger base of production expenditures leads to more interest capitalized.

Section 1.263A-11(e)(1)(i) provides that, if an improvement constitutes the production of designated property under § 1.263A-8(d)(3), APEs with respect to the improvement consist of all direct and indirect costs required to be capitalized with respect to the improvement. In the case of an improvement to a unit of real property qualifying as the production of designated property under § 1.263A-8(d)(3), § 1.263A-11(e)(1)(ii) provides that APEs include an allocable portion of the cost of land, and for any measurement period, the adjusted basis of any existing structure, common feature, or other property that is not placed in service, or must be temporarily withdrawn from service to complete the improvement (associated property) during any part of the measurement period if the associated property directly benefits the property being improved, the associated property directly benefits from the improvement, or the improvement was incurred by reason of the associated property (associated property rule). In the case of an improvement to a unit of tangible personal property qualifying as the production of designated property under § 1.263A-8(d)(3), § 1.263A-